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Canada. Royal commission on publications.

Hearings. v. 20-21, 1960.

1961



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ROYAL COMMISSION ON

Publications

HEARINGS

HELD AT

TORONTO

VOLUME No.:

20

DATE:

DEC 13 1960

OFFICIAL REPORTERS
ANGUS, STONEHOUSE & CO. LTD.
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ANGUS, STONEHOUSE & CO. LTD.
TORONTO, ONTARIO

ROYAL COMMISSION ON PUBLICATIONS

Proceedings of hearings held in
Simcoe Hall, University of Toronto,
in the City of Toronto, Ontario,
on the 13th day of December, 1960,
et seq. at 10:30 a.m.

COMMISSION:

M. GRATTAN O'LEARY	Chairman
J. GEORGE JOHNSTON	Member
CLAUDE P. BEAUBIEN	Member

P. MICHAEL PITFIELD	Secretary
G. H. QUINN	Administrative Officer



ANGUS, STONEHOUSE & CO. LTD.
TORONTO, ONTARIO

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Toronto public Library Board	157



---On commencing at 10:30 a.m.

SUBMISSION OF
MAGAZINE PUBLISHERS ASSOCIATION OF CANADA

APPEARANCES:

MR. Lloyd M. Hodgkinson, President.

THE CHAIRMAN: Would you identify yourself, please, for the record?

MR. HODGKINSON: I am Lloyd M. Hodgkinson, president of the Magazine Publishers Association of Canada. I would like also to acknowledge some of our directors who are here with me today: Mr. Hall Linton, our treasurer, and Mr. A. B. Gardner, chairman of the Magazine Advertising Bureau and of our promotion committee.

Mr. Chairman, members of the Commission on publications, the Magazine Publishers Association of Canada, a constituent association of the Periodical Press Association, endorses fully the written submission by the Periodical Press Association to the Commission in Ottawa.

The Magazine Publishers Association of Canada has, as its members, the following magazines -

ENGLISH LANGUAGE

FRENCH LANGUAGE

Canadian Homes

LA REVUE POPULAIRE

Chatelaine

LE SAMEDI

Health

CHATELAINE - LA REVUE
MODERNE

Liberty



Maclean's

Saturday Night

Western Homes & Living

The member magazines of Magazine Publishers Association have a total per issue audited circulation of approximately 2,450,000 copies or 80% of the total audited circulations of Canadian Consumer magazines. These magazines carry approximately 90% of the total net advertising revenue of Canadian Consumer Magazines.

It should be noted that the figures above include only Canadian magazines which are issued as separate publications and as such have separate audited circulations. These figures do not include Canadian editions of U.S. magazines or the separate rotogravure magazine-type sections of weekend newspaper publications such as La Presse, La Patrie, Perspectives, Globe & Mail, Weekend, Ontario Today, etc. These latter publications are made up of a number of sections and as such the magazine type section is not subject to separate audit nor is it sold to readers as a separate publication; nor for that matter is the magazine section of the Star Weekly.

Out of respect to the Commission's time, I will not review the details outlined in the Periodical Press Association brief but will endeavour to confine my remarks to related information about the magazine industry in Canada and some of my own personal opinions as they may assist the Commission in its work.

First, I would like to review the history



1 of Canadian magazines from 1920 forward. This list does
2 not include annual or quaterly publications, university
3 or company magazines, farm or religious papers, official
4 organs of associations, societies, institutes, etc. or
5 those publications which are purely local to one
6 city in their distribution. It does include most of
7 the smaller magazines but because of difficulty in
8 tracing all of the small magazines some have been
9 omitted. I would like to file as an exhibit (Ex. #2)
10 the complete list of these magazines in existence in
11 1920 and started since that date together with the
12 list of those publications which have ceased publication
13 since 1920 to date.

14
15 q There were in existence before 1920 or
16 started in the twenties 58 magazines in Canada. During
17 the 1920's thirteen of these magazines ceased publica-
18 tion. During the 1930's 26 new magazines were started
19 and thirty magazines ceased publication. During the
20 1940's thirty new magazines were started and twenty-
21 seven magazines ceased publication. In the 1950's
22 ten new magazines were started and nine magazines
23 ceased publication. In the 1960's to date no new
24 magazines have been started, two have ceased publica-
25 tion and one magazine has been reduced from monthly
26 to quarterly frequency.

27 Information which I have received since
28 preparing this brief indicates this latter publication
29 has now ceased to publish. The summary then is a
30 total of 124 magazines in existence in the 1920's



1
2 or started since and 81 ceased publication.

3 There are in Canada today only five English
4 language magazines of national circulation significance.
5 All are members of the Magazine Publishers Association.
6 It should be noted that most of the other magazines are
7 not members of the Magazine Publishers Association either
8 because of their small circulation, regional interest,
9 or selectivity to one type of group such as sports,
10 veterans, photographers, etc. However, we do welcome
11 membership of any of the Canadian magazines with
12 audited circulations.

13 For the record I would like to read a defini-
14 tion of a magazine as reported in Mediascope, a
15 respected United States business publication. The
16 author of this definition is Robert E. Kenyon, Jr.,
17 President, Magazine Publishers Association of the
18 United States. I will quote his definition in part -

19 "The magazine is not a simple product like
20 a shoelace or a ton of steel. A magazine,
21 like any other object, has length and width,
22 texture, pigments, weight, but the reality
23 of a magazine is not fully measurable in
24 such dimensions. Magazines are a living force
25 that touch our lives in many ways. They
26 reach the minds and hearts and emotions of
27 their readers. They provide facts, offer
28 ideas, affect judgments, help us make
29 decisions as a nation and as individuals.
30 They influence our thinking. They help form



1
2 our tastes. The clothes we wear, the food
3 we eat, the outside and the insides of our
4 homes, have all been influenced by magazines."

5 Robert E. Kenyon, Jr.
6 President, M.P.A.

7 (before National Leadership Workshop and
8 Reading Conference, Plattsburgh, N.Y., as
9 reported in Mediascope, October 1960 issue,
10 page 28).

11 This definition of a magazine is a very
12 good one and besides being a definition it tells us
13 what magazines do, and it suggests the reason why it
14 is important for Canada, like the United States, to
15 have its own strong magazines. It points out the
16 purpose of U.S. magazines in the United States. It
17 suggests the purpose of U.S. or any foreign magazine
18 in Canada. That is "to provide facts, offer ideas,
19 affect judgments, help us make decisions as a nation
20 and as individuals... influence our thinking". The
21 result of U.S. magazines in Canada cannot help
22 but make us more conscious of the United States and
23 influence our thinking but, of course to an American
24 point-of-view.

25 As Canadians we do not feel that this is all
26 bad for us, but it is a matter of degree. We must
27 have a greater volume of Canadian inspired thought,
28 Canadian oriented fact, Canadian affected judgment, and
29 Canadian made decisions as a nation and as Canadian
30 individuals.



1
2 As Canadians we are concerned that we do not have
3 enough magazines in Canada to counteract this friendly
4 bombardment from U.S. magazines.

5 We say "friendly" bombardment, but what is
6 in fact happening with the mass distribution of U.S.
7 magazines in Canada is they are "smothering" us with
8 friendliness, indeed they seem to be considering us as
9 a part of their own country. Canada happens to be
10 a separate and foreign country from the United States.

11 This, then is a condition which is the
12 result of overflow circulation of U.S. magazines in
13 Canada. A sense of smothering ... a slow pleasant
14 death to many Canadian magazines. The Periodical
15 Press Association brief documented fully the over-
16 whelming volume of U.S. magazines circulating here.
17 I will not repeat this.

18 As publishers in Canada, we respect the
19 right for Canadian people to purchase magazines
20 or periodicals of their choice regardless of the
21 country of origin of these publications. We also
22 believe that it is vitally important to Canada as
23 a nation, desirous of its own identity and character
24 that Canada has a strong national magazine press
25 which reflects the Canadian point-of-view.

26 Here then is where we respectfully submit
27 the recommendations of this Commission become both
28 difficult and important.

29 Because of the large number of U.S. magazines
30 available to Canadians, and because of the many phases



1
2 of selling activity to increase the circulation of these
3 magazines in Canada, it is most difficult for the
4 Commission to determine how many copies of U.S.
5 magazines are sought by Canadians to be read, and
6 how many copies are sold to Canadians under aggressive
7 selling practices.

8 Just how do the large circulations of U.S.
9 magazines in Canada affect the distribution and sale
10 of Canadian magazines in Canada? These are indeed most
11 sensitive questions.

12 I think part of the answer lies in the fact
13 that Canada has never been able to have a great many
14 magazines as the summary submitted as an exhibit points
15 out. It is my opinion, and one shared by the members
16 of the Magazines Publishers Association of Canada,
17 that Canadian magazines have not been many in number
18 because of the difficulty to get established with so
19 many foreign-type publications already in existence,
20 here. It is significant I believe that few of the
21 Canadian magazines ever started reached large circula-
22 tion as national publications. It is much more signi-
23 ficant that of the major national magazines which
24 did acquire large circulations many have not been
25 able to continue. The reasons for failure are naturally
26 many and varied. But as a person who has for the
27 past twenty years been involved as a business only
28 in magazine publishing, I submit the major reason is
29 the competition and comparison with the vast number
30 of U.S. magazines circulating in this country.



1
2 In addition to making it difficult for
3 publications to start in Canada, the competition of
4 so many copies of foreign magazines has tended to
5 reduce the rate of growth of circulation of Canadian
6 magazines in existence, made the cost of acquiring
7 circulation for Canadian magazines higher. Overflow
8 distribution of magazines from the United States
9 has kept advertising expenditures available to
10 Canadian magazines at a lower level because many of
11 the messages advertised in U.S. overflow publications
12 are on products available also in Canada.

13 With your permission I would like to review
14 my own personal publishing experience. Starting in
15 1939 I founded with two others, the Canadian High
16 News, and worked as General Manager for three years.
17 From there I joined the business paper division of
18 Maclean-Hunter Publishing Company Limited and worked
19 in various capacities for three or four years
20 becoming Advertising Manager of one of the business
21 publications. I then moved to Consolidated Press, spent
22 four years as Montreal Manager of Saturday Night,
23 and subsequently as Director of Advertising for
24 Saturday Night and Canadian Home Journal. When
25 Canadian Home Journal was sold and merged with
26 Chatelaine magazine in 1958 I became Advertising
27 Manager of Chatelaine and subsequently Publisher
28 which position I hold today.

29 I report this history because it has been
30 involved with one of the publications which has ceased



1
2 to publish.

3 It is my honest opinion that Canadian Home
4 Journal proved uneconomic as a publishing property
5 for the following reasons:

6 (a) the overflow circulation of U.S. women's
7 magazines in large numbers into Canada
8 provided many advertisers with some magazine
9 coverage in this country which they preferred
10 to supplement in Canada with other forms of
11 advertising, that is, radio, TV, newspapers,
12 etc.

13 If I may pause on this for a moment, a
14 typical example of that type of thing is the Revlon
15 Corporation who in twenty years I have been working
16 on Canadian magazines have never found it necessary
17 to advertise in Canadian magazines although they
18 advertise very extensively in American magazines.
19 They tell us the reason they don't use Canadian
20 magazines is that they have adequate magazine coverage
21 from the United States in this country.

22 (b) the circulation costs for Canadian Home
23 Journal were made higher because of this
24 volume of overflow U.S. media into Canada
25 of publications of a similar character to
26 Canadian Home Journal.

27 (c) The competition for the Canadian adver-
28 tising dollar from new media sources such as
29 TV, Weekend, and the Canadian editions of
30 U.S. magazines made it more difficult for



1
2 Canadian Home Journal to get an adequate
3 share to cover all of its publishing costs.

4 Undoubtedly there were other contributing
5 factors to the failure of Canadian Home Journal, but
6 these were the main reasons in my opinion. If there
7 had been a lesser volume of U.S. magazines circulating
8 in Canada, and if the Canadian editions of U.S.
9 magazines had not taken part of the domestic advertis-
10 ing revenue, I believe that Canadian Home Journal could
11 have withstood the domestic competitors for the adver-
12 tising dollar such as TV, Weekend, newspapers, radio,
13 billboards and other magazines as it had withstood
14 the domestic competitors for 55 years.

15 I use this example because I believe that it
16 points up some of the areas which emphasize some of
17 the basic problems confronting Canadian magazines.
18 Competition is a very healthy thing for any type of
19 business and certainly it is a helpful thing for
20 magazines as it has made them improve tremendously
21 over the years. However there is a limit to the amount
22 of competition that any business can stand, and I
23 think that this is the crux of the problem confronting
24 Canadian magazines. Surely the competition from
25 television, radio, newspapers, weekend-type publications,
26 billboards and other magazines is sufficient competition
27 for any one magazine. When the overflow circulation
28 of U.S. magazines and the newer device of U.S. magazines
29 selling advertising to Canadian companies is added to
30 domestic competition, we believe this makes the



1
2 competition for magazines to survive overwhelming and
3 to a large extent unfair.

4 I would like to explain in greater detail the
5 competition which we consider to be unfair. This
6 competition comes in two basic forms and both stem
7 out of the original problem of large overflow circula-
8 tion of U.S. magazines into Canada. The first of
9 these types is the Canadian edition of U.S. magazines.

10 The definition of a magazine as outlined
11 by Mr. Kenyon did not give any suggestion as to the
12 purpose of a Canadian edition of a U.S. magazine.
13 Certainly the editorial content of the Canadian
14 editions of U.S. magazines is essentially the same as
15 the editorial content of the U.S. editions of these
16 magazines.

17 The only major change is that the Canadian
18 editions contain Canadian advertising - an additional
19 source of revenue. This advertising revenue from
20 Canadian advertisers helps the U.S. magazine make
21 a better profit since the editorial content must be
22 prepared for the U.S. edition. Otherwise these
23 U.S. magazines could simply sell their U.S. edition in
24 Canada and not bother with Canadian Advertising.
25 The Periodical Press Association brief documented
26 the dollar volume of Canadian advertising in the
27 Canadian editions of Reader's Digest and Time. It
28 represents a disturbing percentage of the total
29 advertising carried in all magazines in Canada.
30 Approximately 42%. The affect that these Canadian



1
2 editions have had on Canadian magazines has also been
3 documented in the Periodical Press Association brief.

4 It is a matter of record that the Canadian
5 editions of U.S. magazines in Canada have not increased
6 the percentage of advertising dollars spent in magazines
7 to the total Canadian advertising expenditures, but rather
8 they have shared the percentage of magazine dollars
9 and it follows then that the percentage available for
10 Canadian magazines has been less. There are sound
11 reasons for advertisers to use Canadian editions of
12 U.S. magazines. Some of these reasons are as follows:

13 First, most of the advertisers in magazines in
14 Canada are companies affiliated with or
15 subsidiaries of U.S. companies. If the
16 parent company in the United States is
17 advertising in the United States edition of
18 the magazine, there is a natural inclination
19 for the Canadian affiliate to run its adver-
20 tising in the Canadian edition of the same
21 magazine.

22 Second, the advertising rates of the Canadian
23 editions of U.S. magazines are generally lower
24 than the corresponding rates of advertising
25 in Canadian magazines which, of course, must
26 bear all their preparatory costs from their
27 revenues in Canada. I would like to submit
28 as an exhibit (Ex. #3) a comparison of the
29 advertising rates per thousand circulation of
30 the Reader's Digest as compared with Maclean's



1
2 Magazine and Chatelaine Magazine. To illustrate
3 this point. Using the one time black and white
4 advertising rate per page and the advertising
5 rates and circulations in effect for the year
6 1961 the following are the cost-per-page-
7 per-thousand circulation of the three magazines
8 mentioned. Reader's Digest English edition
9 \$4.51, Chatelaine English edition \$6.21,
10 Maclean's Magazine English edition \$6.72,
11 Reader's Digest French edition \$4.93,
12 Chatelaine French edition \$8.40, Maclean's
13 Magazine French edition \$9.32, Reader's
14 Digest combined editions \$3.91, Chatelaine
15 combined editions \$6.41, Maclean's Magazine
16 combined editions \$6.99.
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In this connection also I would like to submit as an exhibit (Ex. #4) an advertisement published by the Readers' Digest in the December 2, 1960 issue of Marketing. This advertisement states that Selection du Reader's Digest offers advertisers in the French market the best coverage and I would like to quote this passage exactly "and at rates that cannot be matched by any other magazine". This, gentlemen, is a true statement. Certainly no Canadian magazine operating on the economics of Canadian publishing could ever match the low advertising rates of Selection du Reader's Digest. Particularly if this advertising is purchased as part of the combined editions.

The third reason advertisers use Canadian editions of U.S. magazines is that advertisers are interested in the lowest cost distribution possible and therefore if they can obtain effective advertising coverage for less it is their responsibility to their company to do so. The advertiser cannot be criticized for this. I would like to be very clear in the understanding which you take from these statements. The Canadian editions of U.S. magazines circulating in Canada are for the most part strong, well-read magazines. They represent sound advertising value for many companies. The point I am trying to make is that with a minimum of preparatory costs here and with the benefit of the much larger resources with which to obtain editorial material from the United States edition, together with the fact that they can sell their advertising to advertisers at a lower cost, creates in my opinion a state of unfair competition to Canadian magazines.



1
2 There are reasons to believe that more Canadian
3 editions will be started in Canada if present conditions
4 continue to exist because it is apparent that such
5 Canadian editions are profitable for U.S. magazines. If
6 more Canadian editions of U.S. magazines do start in
7 Canada, it is my opinion that the percentage of the
8 advertising available for Canadian magazines will again
9 be reduced.

10 There is, of course, a newer and extremely
11 unfair technique being applied by the U.S. magazines and
12 that is the use of the split-run, regional edition, and
13 Canadian section of U.S. magazines. To explain this in
14 principle it is the dropping in of a Canadian advertisement
15 replacing the U.S. advertisement for those copies of United
16 States magazines circulating in this country. Or the
17 inclusion of one form as the Canadian section of a U.S.
18 magazine and this form carries Canadian advertising. We
19 do not at the present time see any way that Canadian
20 magazines can compete with this technique as any revenue
21 above the limited mechanical charge which the U.S.
22 publisher must have to change plates, means extra
23 revenue for U.S. magazines. To compete with this on a
24 cost basis would be virtually impossible for the Canadian
25 magazines.

26 As evidence that this practice is accelerating
27 I would like to submit two exhibits:

28 The first (Ex. #5) is an advertisement of the
29 Saturday Evening Post which appeared in Mediascope
30



1
2 November 1960 issue. This advertisement in its point
3 number seven makes the following statement "Advertisers
4 with a special Canadian marketing problem. Now you can
5 tailor your advertising to Canada - running one adver-
6 tisement in Post copies going into Canada, and another
7 advertisement throughout the balance of the edition!"

8 The second exhibit (Ex. #6) in this regard is
9 a statement which appeared in the Gallagher Report
10 November 1960 which states the competition between U.S.
11 magazines in this field of split-runs. This competition
12 is extending itself to their activities in this country.

13 Periodical Press Association brief dealt with
14 examples and effects of this subject at considerable
15 length, but I wanted to place these two exhibits in the
16 record.

17 It should be emphasized that this split-run and
18 regional advertising in U.S. magazines using Canada as one
19 region of the United States market, can be very harmful to
20 all Canadian media - newspapers, television, weekends, etc.
21 as well as magazines. It can be harmful because it enables
22 advertisers in the United States to use overflow circula-
23 tion to do part of the advertising job in Canada required for
24 their products or products of their subsidiary companies
25 in this country. The extra cost to the advertiser is very
26 slight, simply the mechanical cost of changing plates.
27 No Canadian medium can match these costs with the adverti-
28 sing rates they must charge.

29 In the November 10, 1958 issue of Sales Manage-
30 ment, a U.S. business publication, a section was printed



1
2 entitled "Is the U.S.-Canadian Border a Marketing Barrier?".

3 This section I will file as an exhibit (Ex. #7). But
4 before I do, I would like to quote a few highlights from
5 this article and I quote:

6 "Canadian operations of U.S. based corporations
7 "are persistently becoming more important since
8 "Canada's rate of growth exceeds the United
9 "States. A Study made by the editors of
10 "Sales Management in the home office of 50
11 "American Corporations whose products are
12 "aggressively promoted in Canada shows that
13 "nearly two-thirds have set up Canadian subsi-
14 "diaries, 20% operate through direct branches,
15 "with the balance divided between licensees and
16 "brokers.

17 "Canada is seldom treated as foreign. As
18 "one sales executive said while printing to the
19 "larger cities on the map of North America 'the
20 "Canadian market is closer to the U.S. (border)
21 "than it is to Canada' - to its geographical
22 "centre that is".

23 In talking of the influences in media buying
24 the article goes on to state and again I quote:

25 "still another of the compelling reasons why
26 "U.S. sales and advertising executives take an
27 "exceedingly close look at their advertising in
28 "Canadian media is the important influence of
29 "U.S. national magazines, network broadcasting
30 "and the newspapers, radio and TV stations in the



1
2 northern tier of the States and their spillover into

3 "Canada.

4 "The director of advertising of one food
5 "company (now spending more than \$1 million in
6 "Canadian media" says ' years ago we had no
7 "direct advertising in Canada but as a result
8 "of the UnitedStates spillover, we built a
9 substantial business in the Canadian market.
10 "It was not until around 1930 when we built a
11 "plant in Canada that we began to supplement
12 "our United States spillover with advertising in
13 "Canadian media. Please do not however inter-
14 "pret this paragraph as an indication of the
15 "lack of respect for Canadian media because in
16 "in our use of it since 1930 we have found it
17 "most effective'."

18 "Another food company executive says 'we
19 "grant and concede the pet phrases that Canadians
20 "prefer their own magazines, etc., however we
21 "also believe in advertising and those Canadians
22 "who subscribe to U.S. magazines as well as
23 "those who read them in barber shops, etc., must
24 "be counted as part of our advertising tool
25 "audience'."

26 The section goes on to sum up and I quote: "the
27 "net score: spillover advertising is rated
28 "somewhere between fairly important and impor-
29 "tant by most operators, but is considered as
30 "an extra bonus for the Canadian operation and



1
2 q "is not counted by many as part of the proper
3 "budget to be set for the Canadian operation".
4 The U.S. magazines do not seem to think of
5 Canada as a foreign country either but rather as a region
6 of the United States. The November 14th issue of
7 Advertising Age talks about the establishment of an
8 international committee set up by the Magazine Publishers
9 Association of the United States. I will submit this
10 article (Ex. #8) as an exhibit because I think it contains
11 a very interesting point for the Commission to find out
12 from them. In the article it states the Magazine
13 Publishers Association has established an international
14 committee to handle overseas affairs." It will be inter-
15 esting to learn if they are including Canada as an over-
16 seas country. Or do they treat Canada as just another
17 part of the U.S. market? If they are not including Canada
18 as an overseas market, then the basic character of the
19 problem is more easy to establish.

20 I would like to place in the record as exhibits
21 (Ex. #9) several circulation mailing pieces which demon-
22 strate the aggressiveness with which the U.S. magazines
23 are promoting their overflow circulation in Canada, and
24 some of the reduced price offers which tend to increase
25 the cost of Canadian magazines to obtain circulation.

26 The first of these pieces is for Life Magazine
27 which offers 21 weeks of Life at \$1.91 or 42 issues of
28 Life at \$3.82. In each case only a fraction more than
29 9 cents a copy instead of the usual 19 cents.
30



1
2 The second piece is an offer sent out by The
3 Robert Simpson Company Limited of Toronto promoting the
4 sale of 15 U.S. magazines and no Canadian magazines and
5 these offers range up to 50% discounts over regular price.

6 The third piece is for Newsweek magazine which
7 gives a special offer of 40 issues for only \$2.87 or just
8 about 7 cents a copy. A second piece for Newsweek is an
9 offer of 78 weeks for only \$5.87 or just about 7 cents a
10 copy.

11 The next piece is for Good Housekeeping magazine
12 selling 24 issues for only \$3.90 or a saving of \$4.42 on
13 the newsstand price. This offer was sent by The T. Eaton
14 Company Limited.

15 The next offer is for Look magazine selling 26
16 issues of Look for \$2.00 or a saving of \$2.00 over the
17 regular price.

18 I would like to submit these as evidence of the
19 aggressive tactics of U.S. publishers to increase their
20 circulation here and also as evidence of the type of
21 competition which has increased the cost of Canadian
22 magazines to advance their circulation.

23 Regarding the Canadian editions of U.S. magazines
24 there has been a ready acceptance of these publications as
25 advertising media by various government departments of
26 the Government of Canada. It is the feeling of the
27 Magazine Publishers Association that the Canadian govern-
28 ment has been most generous in its recognition of these
29 Canadian editions as effective advertising media and
30 perhaps less generous in its recognition of these Canadian



1
2 magazines. As an exhibit (Ex. #10) I would like to file
3 the total advertising by the Federal Government in
4 magazines reporting to the Canadian Magazine Advertising
5 Summary for the years 1955 to 1959.

6 During that period out of a total expenditure
7 of \$866,820 the Canadian Government Departments invested
8 in the Canadian editions of Time and Reader's Digest
9 \$303,785. During the same period the Canadian Government
10 invested in ten Canadian magazines \$563,000. I place this
11 on the record because I feel that the Canadian Government,
12 can help Canadian magazines by allowing them to carry
13 more of the burden of their publicity responsibilities.

14 Canadian magazines today have extremely capable
15 editorial staffs, their sales staffs, research departments,
16 merchandising departments are the finest in the industry.
17 Their circulation departments truly know their business.
18 On talent, the Canadian magazine industry will take its hat
19 off to no one. Our magazines today are comparable on a
20 page for page basis with the magazines of any country ...
21 but they cannot afford to maintain these standards and at
22 the same time make a profit. No business, not even
23 Canadian magazines can go on forever if they do not
24 make a profit. We are hoping that the Commission will
25 find a way to improve the environment so that well-directed
26 Canadian magazines can thrive ... and a way to contain the
27 booming expansion of foreign magazines in this country.

28 Respectfully submitted
29
30



1
2 THE CHAIRMAN: Thank you for a very well
3 ordered brief. Mr Johnston, have you any questions?

4 COMMISSIONER JOHNSTON: Yes, I have one or two.
5 I think we should identify further the Mediascope, what
6 is that?

7 MR. HODGKINSON: Mediascope is a trade publica-
8 tion for the use of space buyers in advertising agencies
9 principally and those engaged in the purchase of media.
10 It is a well-respected U.S. medium.

11 COMMISSIONER JOHNSTON: The Gallagher Report
12 you mentioned is new to me.

13 MR. HODGKINSON: That is a report sent out in
14 letter form to executives in the advertising and publi-
15 shing industries. It is a fairly well respected bulletin.
16 I do not have a copy of it here but I will certainly send
17 you a copy if you wish to see it.

18 COMMISSIONER JOHNSTON: Are you damning with
19 faint praise? "Fairly well respected", is it respected?

20 MR. HODGKINSON: Yes, I am damning with faint
21 praise. I think it is one source of information and we
22 get some good information from it and some we take with
23 a grain of salt. By and large we use the information in
24 our business.

25 COMMISSIONER JOHNSTON: The magazine Health,
26 that is subsidized is it?

27 MR. HODGKINSON: That is an official organ of
28 the Health League of Canada. I do not know the economics
29 of it but one of our members representing Health is here
30



1
2 today if you care to direct that question to him.

3 COMMISSIONER JOHNSTON: Could he answer it now?

4 MR. HODGKINSON: Yes, I think so. This is Mr.
5 Hall Linton.

6 COMMISSIONER JOHNSTON: Is Health Magazine
7 subsidized by the Health League or does it contribute
8 something towards the Health League?

9 MR. LINTON: It has been in the past.

10 COMMISSIONER JOHNSTON: It has been helping to
11 support the Health League?

12 MR. LINTON: No, it has been subsidized by the
13 Health League.

14 COMMISSIONER JOHNSTON: Now, who are the members
15 of your magazine publishers association? You show 8% ,
16 are there any conspicuous absentees?

17 MR. HODGKINSON: I compiled a list of those
18 publications which would qualify for membership on the
19 basis that they have recognized audited circulations and
20 to the best of my knowledge are Canadian owned -- I do
21 not know. These include such publications as Actualite
22 which is a French publication with 120,169 A.B.C audited
23 circulation. Boating Magazine which is A.B.C. and listed
24 as circulation 6,569.

25 COMMISSIONER JOHNSTON: Is that a monthly
26 magazine?

27 MR. HODGKINSON: I believe so but I am not sure.

28 COMMISSIONER JOHNSTON: Who are the publishers
29 of that?
30



1
2 MR. HODGKINSON: This I do not know. I just
3 compiled this list from the Canadian Advertisers because
4 I was interest myself in who were not members. All of
5 these publications are welcome to membership in the
6 Magazine Publishers Association if they apply.

7 COMMISSIONER JOHNSTON: Another one strange
8 to me is Ontario Today; is that a weekend supplement?

9 MR. HODGKINSON: Yes, part of the Thomson
10 Newspapers.

11 COMMISSIONER JOHNSTON: You were here yesterday,
12 were you?

13 MR. HODGKINSON: Yes, sir.

14 COMMISSIONER JOHNSTON: Do you go along with
15 what seemed to be the contention of one of the witnesses
16 that the overflow circulation of U.S. magazines was of
17 little consequence in the business?

18 MR. HODGKINSON: I believe, sir, that a great
19 many of the Canadian subsidiaries of U.S. companies do
20 not take it into consideration in determining their needs
21 but I think that they have placed a considerable importance
22 on the overflow circulation and I quote the one example
23 of Revlon. They just tell us straight-forwardly that they
24 have no need to use Canadian magazines because they get
25 adequate circulation through the overflow in the United
26 States.

27
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1 COMMISSIONER JOHNSTON: I learned from the
2 Chairman, who is an authority on these matters, that this
3 is a cosmetic concern, Revlon?

4 MR. HODGKINSON: Yes, they make all sorts of
5 ladies' cosmetics. It is the largest in the industry
6 in the United States, I believe.

7 COMMISSIONER JOHNSTON: People who were here
8 yesterday, at least the principal witnesses, contended
9 that there was no value to U.S. advertisers, or little
10 value to the U.S. advertisers, on this overflow circula-
11 tion. Now, I am thinking of the motor car industry;
12 surely the Chevrolet and Ford advertisement in the Satur-
13 day Evening Post would have its effect on Canadian readers,
14 and they don't distinguish between the Ford ad. in one
15 of your magazines and the Ford ad. in the Saturday Evening
16 Post; would you say that is fair?

17 MR. HODGKINSON: I think that is fair, sir.
18 If I may make a statement on this, I feel that the sales
19 staff of Canadian magazines will study the statement that was
20 made by the gentleman here yesterday who feels that over-
21 flow means nothing, and this helps our cause a great deal.

22 COMMISSIONER JOHNSTON: If you could reduce the
23 preparation charges you would have more money paid to you
24 for space?

25 MR. HODGKINSON: Yes.

26 COMMISSIONER JOHNSTON: Have you ever tried to
27 get the Queen's Government to stop advertising in Canada
28 in foreign magazines?

29 MR. HODGKINSON: I have only had one personal
30



1 experience with that, sir, and it was a number of years
2 ago. I am sure that our representatives have quite con-
3 sistently and persistently contacted each department of
4 the Government, but this is the only thing we have been
5 able to get from them at the present time, that their
6 advertising is to recognise advertising agencies, and the
7 two gentlemen yesterday explained how the agency goes
8 along with the selection.

9
10 COMMISSIONER JOHNSTON: Have you any breakdown
11 of the years from 1955 to 1959 of this Government adver-
12 tising being placed in these magazines, by years? I want
13 to see if we do any better than the others?

14 MR. HODGKINSON: Yes, here is a list.

15 THE CHAIRMAN: Thank you, sir. They did worse.

16 COMMISSIONER JOHNSTON: I noticed in a recent
17 issue of Time two advertisements of Crown Corporations;
18 one was a double-page spread on T.C.A. and the other on
19 Polymer. Do you happen to know who are the advertising
20 agents of T.C.A.?

21 MR. HODGKINSON: I believe, sir, the advertising
22 agency for T.C.A. is Cockfield Brown and Company Limited,
23 Montreal.

24 COMMISSIONER JOHNSTON: And do you know the
25 other one?

26 MR. HODGKINSON: I believe it is the Stanfield
27 Advertising Agency, but I am not sure. It would be
28 Stanfield Johnson.

29 COMMISSIONER JOHNSTON: One in Montreal and
30 the other in Toronto?



1 MR. HODGKINSON: Yes.

2 COMMISSIONER JOHNSTON: Have you any idea
3 whether the Canadian subsidiaries of U.S. corporations
4 are charged anything for the overflow circulation of the
5 advertisers in the U.S. magazines?
6

7 MR. HODGKINSON: It is very difficult for us
8 to get any specific information on this. I know that it
9 used to be a fairly regular practice, but I think that
10 this has changed considerably over the past few years,
11 but I would think, sir, that some of it is.

12 COMMISSIONER JOHNSTON: Some or most?

13 MR. HODGKINSON: I would think some rather
14 than most.

15 COMMISSIONER JOHNSTON: Would it be possible,
16 do you think, for the Canadian subsidiary to be charged
17 with this and the amount not show separately?

18 MR. HODGKINSON: I believe this could be done.

19 COMMISSIONER JOHNSTON: I happen to know of one
20 smallish corporation that was charged \$200,000 for admini-
21 stration from head office. Would not that, as a matter of
22 good bookkeeping practice, include a charge for overall
23 advertising?

24 MR. HODGKINSON: Yes sir.

25 COMMISSIONER JOHNSTON: Or perhaps I should ask
26 the bookkeeper?

27 MR. HODGKINSON: Yes. I am not very proficient
28 in that department.

29 COMMISSIONER JOHNSTON: Frankly, I can't see
30 much between the aggressive of the U.S. magazines to try



1 to get their 9 cents a copy and the aggressive of the
2 Canadian magazines trying to get a similar amount. Were
3 the Canadian magazines much more gentle in their approach
4 before this came along?

5 MR. HODGKINSON: That is about the only area
6 that we have been placed on an equal basis with the U.S.
7 I think we are improving in our aggressive in this area.

8 COMMISSIONER JOHNSTON: What you call improve-
9 ment and what I might call it might be totally different!

10 MR. HODGKINSON: We don't like the returns on
11 this; we would like our circulation to give a better
12 return to ourselves, but inasmuch as the competitive
13 attitude of the U.S. publishers - they have forced us
14 to do it and we will have to do it to survive.

15 COMMISSIONER JOHNSTON: Getting back to the
16 Government advertising, have you actually approached the
17 Ministers responsible?

18 MR. HODGKINSON: I personally haven't approached
19 the Ministers responsible, although I do know that some
20 of the Ministers have been spoken to by members of our
21 Association.

22 COMMISSIONER JOHNSTON: And what have they done
23 about it, taken it under advisement?

24 MR. HODGKINSON: Yes sir. I haven't seen any
25 substantial changes in the figures; that is, dollars in
26 Canadian manufacturing in the Canadian district.

27 COMMISSIONER JOHNSTON: There is some sugges-
28 tion that the gentlemen should promote the "Buy Canadian"
29 campaign. Do you think they should try it in the U.S.
30



1
2 magazines with Canadian circulation? That is not really
3 a serious question, but what I would like to know is this;
4 what would happen if we had only one magazine publishing
5 company in Canada? Is that much better than having none?

6 MR. HODGKINSON: Indeed it is, sir. I documented
7 my history partially for this purpose, and I think it is
8 a safe thing to say that I have been a reasonable indepen-
9 dent in the publishing field.

10 I started off on my own as a small publication,
11 and then I joined the largest publishing company in the
12 country and then I left them, because I felt they were
13 far too large for me, and I went to a smaller publishing
14 company and I employed all the talents and resources I
15 had and tried to make a success of that, and we found
16 that it was just not practicable, and then I rejoined
17 the largest publishing company, which I think does a
18 very capable job in the production of its magazines and
19 which I think are a credit to Canada, and I think it would
20 be very disastrous if we had no Canadian magazines, and I
21 think it would be much more desirable if we had many
22 Canadian magazines published by many separate companies.
23 I would be all for that, and I am sure that our company
24 would be.

25 THE CHAIRMAN: Do you think that is possible,
26 to have many magazines published in Canada by Canadians
27 with our population?

28 MR. HODGKINSON: Under present conditions?

29 THE CHAIRMAN: With our population?

30 MR. HODGKINSON: I don't think it is possible



1
2 under present conditions, but I do think it is possible
3 if the climate is made more healthy with fewer magazines
4 distributing in this country from the United States.

5 THE CHAIRMAN: You would exclude them to make
6 the climate healthy?

7 MR. HODGKINSON: No, I wouldn't exclude them,
8 but I would like to see some restriction to them.

9 THE CHAIRMAN: By the way, sir, I said at the
10 outset that you had a very well-argued brief, and I still
11 think that is true, but do you think you made it any
12 stronger by citing the long list of those magazines that
13 came and went in the 'thirties and 'fifties? Most of
14 those magazines were born in my day and came across my
15 desk, and the trouble with the dear things was that they
16 were sick immediately they were born. They couldn't pos-
17 sibly exist; there was no reason for them to exist in
18 many cases, and they didn't have the capital to carry on.

19 Now, the fact that they didn't carry on, is
20 that any evidence that Canadian magazines today are
21 being injured by this U.S. invasion?

22 MR. HODGKINSON: I think I made the point, sir,
23 that it is significant that these magazines have not been
24 able to get circulation.

25 THE CHAIRMAN: I think these magazines came
26 and went, and I think that is happening in every country
27 in the world; some young fellow out of college gets an
28 idea - with some capital - that he would like to start a
29 magazine, and he does, and in looking over this list
30 there are a number of magazines like the Goblin, which is



1 of no national significance whatever; there is also the
2 Mirror, Musical Canada, New Outlook, New Cashiers,
3 Passing Show and the Petite Revue, to name a few. Did
4 you really expect that in a country like Canada where
5 we have 16 or 17 or 18,000,000 people, and with 4,000,000
6 of these French-speaking, that these magazines could
7 thrive?

8 MR. HODGKINSON: No.

9 THE CHAIRMAN: Are you seriously suggesting
10 they did not thrive because of American competition?

11 MR. HODGKINSON: No. I put this on the record
12 for another purpose; I felt, first of all, that we should
13 have before us a complete review of that. I think some
14 magazines are going to survive and some will fall, but I
15 think there are many reasons for this to happen, and I
16 do think it is a significant thing that of 120-odd publi-
17 cations, 83 have not survived and very few of these will
18 have attained national significance. There have been
19 some major ones that have gone under.

20 THE CHAIRMAN: Coming to your charge that
21 perhaps it is not always the readership choice, but the
22 aggressive salesmanship of American publishers which
23 brings about this large circulation of American magazines
24 in Canada, and you mention an offer by the Robert Simpson
25 Company Limited and by the T. Eaton Company Limited which
26 seems - they share the aggressive tactics on behalf of the
27 American magazines but basically, however, would that make
28 it an offence for these people to offer these cut rates
29 for these magazines? How do you stop a thing like this?



1
2 MR. HODGKINSON: Well, I think it is an off-
3 ence for them to be underselling the price of their
4 magazine in this country. I think this is extending
5 one of the purposes, or going beyond the basic purpose
6 of this magazine. Their magazine is designed and edited
7 specifically for the U.S. people, and I think they want
8 to make it very attractive for them to buy it. That is
9 one thing. I think for them to make it, on a price basis,
10 that it is attractive in Canada, I think that is another
11 thing and I think it is unfair.

12 THE CHAIRMAN: It may be unfair, but what
13 legal device do you bring about to stop it if they make
14 it attractive in price to the Canadians? I am always
15 attracted by somebody giving me something at a lower rate.
16 That is part of the attraction. Would you say that I
17 should be prohibited by law from buying an American maga-
18 zine like Look - I wouldn't buy Look, but supposing that
19 it were some other American magazine, do you say that I
20 should be stopped from buying it by some law because they
21 gave me a reduced price?

22 MR. HODGKINSON: No, I don't think you could
23 stop them buying it, but I think that there should be -
24 and in this I am not as qualified as I ought to be - but
25 it is my feeling that there should be some restriction on
26 that.

27 THE CHAIRMAN: That is one of our problems.
28 People say, "Here, this is evil", as they think it is,
29 and say that this should be stopped, but how do you stop
30 it? I feel you can only stop it by legislation; you don't



1 stop it by exhortation or price fluctuations, you pass
2 laws. Do you think that it is a good thing that we
3 should start passing laws and telling the Saturday
4 Evening Post and the Ladies' Home Journal that you must
5 not offer it at a lower price. I don't know if this is
6 done, I am not sure, but they probably make the same
7 offer to their own people. It is a little bit difficult.
8 I don't think, honestly and frankly, that you are striking
9 your case on behalf of your magazines, and you have to
10 because by putting this forward to the public - and I
11 think you may be annoying a lot of people, they may say,
12 "What do these people want? They not only want to operate
13 split editions of Canadian magazines, they want to deny
14 the poor devil coming in here and offering a lower price
15 on magazines," and I think it is a great mistake and I
16 don't know how it could be done and I don't know of any
17 Parliament in Canada who would attempt to do it. I would
18 hate to recommend it myself.

19 MR. HODGKINSON: As I say, I merely submitted
20 this.

21 THE CHAIRMAN: I can see that.

22 MR. LINTON: Could I say a word in that connec-
23 tion about the magazine industry generally?

24 THE CHAIRMAN: No, but if you would make that
25 a submission we would be very glad to hear you. If we
26 allowed everybody in this room to make submissions all
27 at once, we would never get out of here.

28 COMMISSIONER JOHNSTON: I was just going to
29 ask Mr. Hodgkinson what became of the Canadian High News?
30



1 MR. HODGKINSON: It is still being published.

2 COMMISSIONER JOHNSTON: There is another thing;
3 the matter of sale for less than cost. Isn't there some-
4 thing in the Criminal Code on that subject?
5

6 MR. HODGKINSON: Not to my knowledge, sir.

7 COMMISSIONER JOHNSTON: There is something in
8 the Criminal Code which says that commodities must not
9 be sold at unduly low prices below cost. This is some-
10 thing that you might look into. Thank you, Mr. Chairman.

11 THE CHAIRMAN: Thank you very much, sir. We
12 will recess now for five minutes.

13
14 --- A Short Recess.
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SUBMISSION OF
UNIVERSITY OF TORONTO PRESS

APPEARANCES:

MR. M. JEANNERET, Director

MISS E. HARMAN, Assistant Director

MR. JOHN IRWIN

MR. JEANNERET: Mr. Chairman, I am Mr.

Marsh Jeanneret, director of the University of Toronto Press, and with me is Miss Harman who is assistant director.

With your permission, Mr. Chairman, I will ask that the rather large proportion of this brief devoted to appendixes in the form of information be accepted without being read, and I will confine myself to the body of the memorandum.

Technically, this is a personal submission on my responsibility as director of the University Press.

PURPOSE OF MEMORANDUM

This Memorandum is intended not so much to plead special problems as to furnish information to the Royal Commission on Publications regarding scholarly publishing facilities in Canada, and at this institution in particular. It has been prepared in response to the request contained in the public Memorandum to Participants (No.1) issued by the Commission on October 28, 1960, and to the specific invitation included in a separate letter from the Secretary to the Commission dated October 31, 1960



1
2 (App.I). It will be appreciated, however, that as an
3 institution whose primary function is to serve the
4 scholarly and cultural interests of the Canadian academic
5 community, the University of Toronto Press regards
6 seriously all publishing problems that are being laid
7 before the Commission, and recognizes the public impor-
8 tance of such a Commission at this time. It is desired
9 that the Commission note that this informational
10 Memorandum is being furnished by the Director of the
11 University of Toronto Press on his personal responsibility,
12 and where it expresses opinions it is not intended
13 that these are necessarily those of the University
14 Administration to which the Press is responsible.
15 To the best of our knowledge, however, they are not at
16 variance with any views that may be held by the
17 President of the University of Toronto, its Board of
18 Governors, or the Advisory Committee on Publications
19 which is appointed by the Board of Governors.

20 This Memorandum will confine itself chiefly
21 to questions related to this institution's programme
22 of scholarly periodicals, it being understood that
23 book publishing as such is not a primary concern of
24 the Commission under the latter's terms of reference.
25 However, on the strength of correspondence that
26 we have initiated with the Secretary to the Commission,
27 and by reason of the fact that our book and periodicals
28 programmes are joined at many points, reference will
29 be made to our book publishing experiences wherever
30 necessary, and questions from the Commission on either



1
2 programme will of course be welcomed. If, in addition,
3 further statistics or reports on either publishing
4 programme would be useful to the Commission, we
5 shall be glad to have these compiled in whatever detail
6 necessary and furnished at any early date in the form
7 of a Supplementary Submission.

8 SCOPE AND PURPOSES OF UNIVERSITY OF TORONTO

9 PRESS PUBLICATIONS PROGRAMME

10 Since its founding in 1901 (App.II), the
11 University of Toronto Press has sought to ensure that
12 the fruits of Canadian scholarly research shall not
13 go unpublished where, except for economic considerations,
14 publication is desirable. It can be said that at
15 the present moment we are not aware of any completed
16 book-length or article-length manuscript, belonging
17 to the category mentined and being editorially
18 acceptable, which is unable to secure publication merely
19 because financial support is lacking. This may be
20 a comforting statement, but it does not justify com-
21 placency; the statement itself could be contradicted
22 by the arrival tomorrow of an adequately illustrated
23 manuscript in the field of Canadian art, (that is
24 precisely what has happened since we prepared this
25 brief, and we had no knowledge of it at the time,
26 Mr. Chairman) or the manuscript of an abnormally
27 expensive Canadian reference of the lexicographic
28 type, to mention only two examples. The statement
29 will definitely be open to contradiction after a few
30 more years of academic expansion, unless subsidizing



resources such as those of the University of Toronto Press, and of the Canada Council and related Councils, either increase or are augmented by other organizations providing similar assistance. The University of Toronto Press seeks no monopoly of the privilege of subsidizing publication costs.

There follow some pertinent facts concerning the programme of support to scholarly publishing provided by the University of Toronto Press during recent years:

(a) From July 1, 1953 to June 30, 1960, the University of Toronto Press budgeted and provided net subsidies to scholarly books and periodicals issued over its imprint totalling \$350,000.

(b) These subsidies were wholly provided by the University of Toronto Press from its other publishing and related operations. This Press is not subsidized either directly or indirectly by its parent institution, and its subsidizing programme is therefore not a charge on the general budget of the University of Toronto. Its total annual appropriations for such purposes are recommended in advance by the Director and must be approved by the Board of Governors. All other costs of operation of the Press, including equipment, buildings, salaries, heat, and power, are absorbed by the Press itself. In effect, the total net income from the Press operations is devoted to the aforementioned costs, among which the subsidizing of scholarly publications is the most important dividend



1
2 from the standpoint of the community at large.

3 (c) The University of Toronto Press at
4 present (December 1, 1960) subsidizes seven journals
5 which are published over its imprint (App. III).

6 I might say that last week the Advisory
7 Committee has approved in principle the addition of
8 three more journals: The Journal of the Canadian
9 Linguistic Association, The Canadian Geographer and The
10 Canadian Journal of Theology, and I would like to
11 submit the formal requests received from these
12 three publications for support. These requests
13 perhaps are more significant because they spell out
14 in some detail the reasons why these journals require
15 assistance. Fifteen copies have been prepared simply
16 as background information.

17 It had in print at the same date approximately
18 five hundred book-length works, almost all being
19 either the products of scholarship in Canada, or
20 studies of Canadian subjects (App. IV).

21 (d) Although the total sales possible for
22 many of its specialized publications are necessarily
23 limited, most of its books (other than special college
24 textbooks and certain local service publications) are
25 exported from Canada. The largest single market is
26 the United States, but active sales organizations are
27 operated in the United Kingdom, Europe, India, Pakistan,
28 South America, the Far East, etc.

29 (e) The present publishing programme of
30 the University of Toronto Press has brought it to sixth



1
2 position among fifty-one member presses in the Associa-
3 tion of American University Presses. At the present
4 time (December 1, 1960) the Press's publishing
5 programme includes twenty-five issues of its own
6 journals each year, plus approximately seventy books
7 published annually over its own imprint.

8 (f) The Printing Department operated by the
9 University of Toronto Press is necessarily almost as
10 specialized in the facilities it possesses as is the
11 publishing programme it services. For example, the
12 composition of mathematical formulae to the degree
13 required by the Canadian Journal of Mathematics and by
14 new volumes in the Mathematical Expositions Series
15 is made possible only by the development at the
16 Press of 10 pt. on 6 pt. composition (App. V). This
17 service is unique in Canada, and available only in
18 four or five centres in the United States. It is to
19 be noted, however, that maintenance of the mathematical
20 composition centre in the University of Toronto Press
21 Printing Plant would not be economically possible were
22 it not for the fact that important additional technical
23 printing for the National Research Council is done
24 through its facilities. The future of mathematical
25 research publishing in Canada, at least in significant
26 volume, depends on the continued availability of this
27 centre's specialized service.

28 (g) Not least in importance among the
29 specialized services demanded by, and made possible by,
30 the publications programme of the University of Toronto



1
2 Press is the Bibliographical and Research Centre, where
3 the numerous manuscripts in process at all times are
4 copy-edited. This department of the Press, perhaps
5 to a greater degree than any other body in Canada,
6 has made possible a scholarly book and periodicals
7 programme which -- from the standpoint of technical
8 editing at least -- is inferior to none in the world.
9 The best documentation that can be offered in support
10 of this statement is (i) the recognition that has
11 been accorded our publications by the reviewers in
12 all the leading scholarly journals of the world, and
13 regularly in such important general media as the
14 Times Literary Supplement (London); and (ii) the fact
15 that in recent years this Press has been entrusted
16 with the publication of numerous (and voluminous)
17 proceedings of international congresses and similar
18 organizations (App. VI). Such publications are of
19 course not subsidized; rather, they are procured by
20 competitive tender and yield revenues which make the
21 programmes of the Press possible, normally by
22 competitive tender against United States manufacturers
23 rather than Canadian, which has some relevance later,
24 Mr. Chairman.

25 (h) The University of Toronto Press at
26 present employs upwards of two hundred full-time
27 employees; in addition, the Printing Plant purchased
28 outside graphic arts services of all kinds (chiefly
29 in Canada) during the year ended June 30, 1960, costing
30 approximately \$362,281.



1
2 This is entirely exclusive of books purchased by
3 the Book Department which have a list value of almost
4 three quarters of a million dollars.

5 (1) The procedures whereby books and journals
6 are approved for subsidy by the Advisory Committee
7 on Publications have been completely set forth in
8 recent policy statements issued by the Press; these
9 statements are attached to this Memorandum (App. VII
10 and VIII). Certain features of these policies are
11 especially relevant to the preceding summary of the
12 status of scholarly publishing in Canada, e.g.,

13 (i) the sources, importance, and anonymity
14 of readers' reports on which subsidized
15 publishing decisions are based;

16 (ii) kinds of manuscripts eligible for
17 support;

18 (iii) the fact that the majority of subsidized
19 publications represent scholarship elsewhere
20 than at Toronto;

21 (iv) the attraction our own subsidizing pro-
22 gramme has exerted on collateral subsidies
23 from elsewhere -- including the Ford
24 Foundation;

25 (v) the nature of the editorial service expected
26 of a scholarly journal, and the freedom from
27 institutional censorship that it is assured;

28 (vi) the relative cost considerations relating
29 to journals and books, respectively, from
30 standpoint of total subsidies required;



(vii) the significance of the observation:

"It is not possible, save in very unusual circumstances, to render an academic journal financially self-sustaining without altering its academic character.";

(viii) the policy statement with respect to legitimate circulation promotion objectives;

(ix) other points of policy as may be considered relevant by the Commission.

In this connection I take the liberty of submitting a supplementary memorandum entitled, "The Purpose of a University Press" merely as background information for the Commission based on an address we have to give to the Association of American University Presses, dealing with that particular topic.

PROBLEMS OF SCHOLARLY PUBLISHING IN CANADA

Circulation

It would be misleading if we were to suggest that the circulation of scholarly books or journals published in Canada suffers by comparison with roughly parallel publications issued in the United States (App. IX). We have included as Appendix 9 a fairly broad sampling of American journals of roughly the same types as our own with their reported circulation figures, and on any pro-rating basis it would appear our success has been at least as great as theirs. Having regard for differences in size of primary markets available, it would appear



1
2 that Canadian scholarly books and journals are reaching
3 their proper constituencies at least more completely
4 than are many of their United States counterparts.

5 However it would be equally erroneous
6 to suggest that Canadian scholarly publications, either
7 books or periodicals, are in all cases being read by
8 more than a fraction of the public, lay or academic,
9 that might be expected to have an interest in their
10 editorial content. The total Canadian library circula-
11 tion of the Canadian Historical Review, for example,
12 is less than 50% of the number of secondary schools
13 in Ontario alone (App. X). Admittedly, the high school
14 library patron is not, on the average, likely to be
15 a regular reader of this journal. But it is significant
16 that, when academic libraries in Canada are deducted
17 from the Canadian library circulation total, probably
18 no student in 90% of Canadian high schools has ever seen
19 the journal in question; perhaps this statement applies
20 to almost an equally large per centage of secondary school
21 teachers. By the same reasoning, are there not more
22 than six hundred and seventy-six private individuals
23 in Canada (including academic subscribers) who
24 should be interested in its content? With greater
25 or lesser force, similar observations would be valid
26 respecting the other journals listed in Appendix X,
27 with the possible exceptions of the Canadian Journal of
28 Mathematics, and the Phoenix, being the organ of
29 the Classical Association, both of which seem to be
30 enjoying respectable distributions in relation to the



1
2 readership groups that may be supposed to exist for them
3 in this country and elsewhere.

4 What actual problem is exposed by the limited
5 circulations mentioned in the preceding paragraph? It
6 should be noted first that increased circulations
7 alone would not necessarily eliminate the need for
8 continued subsidies, unless increases so large as to
9 convert these scholarly journals into national media
10 were meant -- and this would simply be unrealistic.

11 (The net revenues from increased subscriptions could
12 hardly be expected to recover more than additional
13 unit manufacturing and distribution costs, as opposed
14 to editorial and composition costs.) The problem
15 implied by what are apparently smaller-than-reasonable
16 circulations has to do with the cost of circulation-
17 building campaigns in such specialized reader-interest
18 groups. It is normally more expensive to increase the
19 circulation of a scholarly journal by, say, fifteen
20 per cent, than it is to continue to subsidize it at
21 present circulation figures. That is to say, a
22 circulation-building campaign can easily cost upwards
23 of \$2000 (very much upwards), and be productive of
24 only nominal -- perhaps temporary -- improvement in
25 numbers of subscribers.

26 The Toronto Quarterly has experimented with
27 special supplements on selected topics of national and
28 international importance. The effect of these supple-
29 ments has been (a) to necessitate frequent and
30 relatively expensive circulation-building campaigns



1
2 in the various constituencies served by these
3 supplements; (b) to increase the circulation, not
4 however in proportion to costs, and not permanently.
5 The experiment with supplements has recently been
6 modified; it will probably be abandoned. However a
7 remarkably ambitious sales and advertising campaign is
8 in progress at all times on behalf of all our book
9 and periodical publications (App. XII). (Nothing
10 in these observations re circulation-building should
11 be interpreted as a desire to inflate circulations
12 artificially, e.g., by pressing subscriptions on
13 readers for whom the editorial content of the journals
14 is not appropriate. All sales promotion efforts
15 in the Press are aimed at optimum, rather than maximum,
16 coverage. Any other policy would be short-sighted,
17 for reasons that doubtless do not require development
18 here.)

19 It follows that the cost of subsidizing pub-
20 lication expenses for a scholarly journal is one thing;
21 the cost of promoting subscriptions is another. The
22 need for a solution to this problem is great; it
23 cannot easily be met by existing subsidizing funds,
24 if the latter can indeed cope with it all.

25 Space Advertising Revenue

26 Space advertising revenues offset but an
27 infinitesimal portion of the costs of publishing a
28 scholarly journal (App. III). The rates in force are
29 probably higher than they should be, having regard
30 to circulations (App. X). At the same time, they barely



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2 cover per page costs of production, and it would be
3 possible to insist that they do not do this, depending
4 on what accounting presentation or cost accounting
5 method were used.

6 In our opinion, increased revenues from space
7 advertising cannot be expected to offset needs for
8 publication subsidies in scholarly journals programmes
9 in the foreseeable future; nor would it be economical
10 to seek such revenues more aggressively than they are
11 now being sought. (United States competition for
12 advertising appropriations is not a factor here, and
13 much present advertising is doubtless inspired by
14 genuine, and greatly appreciated, good will on the
15 part of the advertisers concerned.)

16 Copyright

17 We believe that all publishing in Canada
18 labours under a disability in relation to United
19 States publishing that is not fully recognized, and
20 often inadequately understood, by the publishing
21 industry itself. I think this is typified by the
22 complete lack of reference to it in recent submissions,
23 Mr. Chairman, although I believe it has been before
24 your Commission already. Notwithstanding certain
25 presentations to the Royal Commission on Patents,
26 Copyright, Trade Marks and Industrial Designs, and
27 notwithstanding certain observations in the Report
28 handed down by the Commission, one great inequity
29 endures to-day. It is this. To all intents, no original
30 publication in a Canadian book or periodical enjoys in



1
2 practice any copyright protection in the United States,
3 whereas in the converse situation full protection of
4 the Canadian Copyright Act is extended to publications
5 of United States origin. The provisions for ad
6 interim protection in the United States are as
7 embarrassing in practice as they are unilateral in
8 fact, and offer a path to full U.S. protection only
9 if there is a redundant compliance with an infamous
10 (I think that is the most intemperate word in the
11 submission, Mr. Chairman) "manufacturing clause" in
12 the U.S. Copyright Act.

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PM/hm

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2 The embarrassing aspect of the ad interim
3 copyright provisions in the United States legislation is
4 that during the five-year period of limited protection
5 available, not more than fifteen hundred copies of a work
6 may be imported into the United States unless the copy-
7 right claimant formally abandons his U.S. copyright by
8 written instrument deposited in Washington.

9 I have done that, Mr. Chairman, and in this
10 connection in due course I would appreciate it if you
11 would allow me to call a witness, Mr. Irwin who has had
12 experience on this particular point.

13 Mutuality of copyright protection between
14 Canada and the United States is fictitious, although it
15 is hypothecated by the existing Reciprocal Agreement on
16 the subject (App. XI).

17 The disability to authors who publish originally
18 in Canada, which is alleged at this point in the present
19 Memorandum, begs certain questions. There follows an effort
20 to propound some of these and to comment on them:

21 (a) "If a 'copyright exposure' vis-a-vis the
22 "United States attaches to original publication
23 "in Canada, is advantage taken of this exposure
24 "by U.S. publishers?" This is a practical
25 question, but the problem about which it inquires assumes
26 a form that may be unexpected. We can state definitely
27 that the University of Toronto Press finds itself under
28 a severe disability when it is negotiating in competition
29 with United States publishers regarding institutionally
30



1
2 sponsored printing and publishing contracts in the United
3 States (App. VI). A list of some such important
4 sponsored work is included in the appendix. It is not
5 so much a question of how often have we been pirated as a
6 question of how often have we not been commissioned to
7 publish. We can state definitely that the issue has arisen
8 on a number of occasions during publishing negotiations.
9 We must also ask ourselves whether or not we are bound
10 by honesty to point out the exposure where mention of it
11 has not been made.

12 (b) "Is the ad interim protection available in
13 the United States unsatisfactory?" Decidedly so. The
14 fifteen hundred copy limitation on imports has forced formal
15 abandonment of, or has nullified, copyright in several
16 cases within our experience. Worse yet, it has forced
17 redundant manufacture in the United States, the net loss
18 on such operations being in effect a charge against income
19 which would otherwise have been available for subsidizing
20 other Canadian works. Finally, United States manufacture
21 forced under these provisions spells loss of revenue and
22 employment to Canadian printing plants.

23 (c) "Do authors really concern themselves with
24 such alleged U.S. exposures of their copyrights?" We
25 believe that neither Canadian authors nor Canadian manu-
26 facturers -- probably not even Canadian publishers --
27 have concerned themselves sufficiently with this problem.
28 But to the extent that the United States Act is known by
29 U.S. authors to offer them a special protection, subject
30



1
2 to the quid pro quo re U.S. manufacture, it constitutes
3 a psychological disability for original Canadian publication
4 in the minds of authors everywhere, and most markedly so
5 in the minds of the most successful authors. The creation
6 of copyright property is an act of the spirit, and we
7 must be concerned about these psychological deterrents to
8 Canadian publication. The fact that they are not widely
9 well understood provides the contrary to a solution; the
10 Canadian publisher has lost his case with the major
11 author even before he is allowed to plead it. And he
12 could not plead it successfully if he were permitted to
13 try, for the fact is that Canadian publication is inferior
14 publication -- with respect to U.S. copyright protection.
15 Is it too much to suggest that Canadian publishing of all
16 kinds would be stronger than it is to-day, if copyright
17 in Canada depended on compliance with a Canadian "manu-
18 facturing provision"? We think this is not an unreasonable
19 speculation. We think it is an important one.

20 (d) "Does the alleged U.S. exposure hold as
21 much significance for a scholarly publisher as for a
22 commercial publisher?"

23 Probably more, because of the fact that the vast
24 majority of our publishing programme is Canadian in
25 authorship and manufacture, finds its largest market in
26 the United States, is the natural source of quotation and
27 reference by other scholars, and enjoys no protection
28 whatsoever in the United States of America. Many
29 publishers' contracts obligate the publisher to protect
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1
2 the world rights in a publication. By the very act of
3 publication, the Canadian publisher normally destroys
4 his author's U.S. copyright in the unpublished manuscript.
5 We could not include a clause in our contracts which
6 imposed a responsibility that we could not discharge
7 fully except by complete manufacture in the United States
8 in all cases.

9 We note here that Canadian ratification of the
10 Universal Copyright Convention may rectify the situation
11 just described at some date in the future. We note that
12 the Canadian author enjoys the protection of the Berne
13 Convention (of which the U.S. is of course not a member),
14 although Canada has not acceded to the Brussels Convention.
15 We note that the Canadian Copyright Act does include
16 certain compulsory licensing provisions which have been
17 cited by the United States in rebuttal of complaints
18 similar to the foregoing. We see no merit, and no value,
19 in the Canadian provisions for compulsory licensing.

20 Special Aspects of United States Periodical Competition

21 It will be noted that we have not suggested that
22 the competition offered by United States periodicals
23 ("Canadianized" or otherwise) is in itself a problem for
24 the Canadian scholarly publisher. But it should not be
25 inferred that as scholarly publishers we are indifferent
26 to the reading habits of the Canadian public. Nothing
27 is of greater concern to us and to those whom we endeavour
28 to serve. The Recommendations later in this Memorandum
29 will confirm our concern over the question of Americaniza-
30 tion of reading matter in this country, which question we



1
2 suppose to be paramount in the considerations of this
3 Commission. Without involving ourselves in the immediate
4 problem of advertising revenues lost to U.S. periodicals
5 (hybridized in some cases), we feel compelled to offer
6 a few observations in keeping with the responsibilities
7 we believe we hold as a scholarly publishing institution.

8 Any progressive Americanization of periodical
9 literature consumed in this country must sooner or later
10 have its impact on academic publishing as well. This is
11 not to imply that we feel the same need for protecting
12 our academic colleagues against certain kinds of litera-
13 ture as others may feel regarding the Canadian public at
14 large! Nevertheless, there is as much to distinguish some
15 research techniques in, say, the humanities in Canada from
16 equivalent techniques in the United States as there (still)
17 is to distinguish the educational philosophies at other
18 levels, the international outlooks, the literary tastes
19 themselves between the two countries. Without launching
20 on a definition of the overworked Canadian image in all
21 such matters, we must subscribe to the ideal of preserving
22 the identity of Canadian culture where that identity can
23 be healthfully nurtured. Whether we call it bi-culturalism,
24 or by some other name, it is a subject of scholarly interest
25 and concern -- but of Canadian scholarly concern chiefly.
26 We seek to serve the Canadian scholarly community, and we
27 deplore every kind of erosion of the Canadian tradition,
28 a tradition which our authors continue to study, and in
29 doing so, to exemplify. We believe that the concern of the
30 Commission on this matter is a legitimate one, and that in



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2 its deliberations there is much of the future at stake.

3 But as academic publishers, we are opposed to
4 censorship in any guise, and especially to censorship
5 designed to control the free flow of general information
6 simply on the ground that it may contain cultural bias.
7 This is neither to deny nor proclaim the existence of
8 a cultural invasion, of course. But we do not think that
9 such an invasion should ever be countered by means of an
10 embargo or quota imposed on the informational media them-
11 selves. The reaching of value judgments regarding bias,
12 emphasis, accuracy, and opinion to be found in periodical
13 literature from abroad should not normally be made an
14 administrative function of government.

15
16 On the other hand, there appears to be a serious
17 economic threat to Canadian industry, and to the Canadian
18 publishing and graphic arts industries, especially, implicit
19 in the imbalance and apparent trend in periodical reading
20 habits in this country. If the Commission is satisfied
21 that a long-range economic threat does exist, then econo-
22 mic action might be justified, presumably in the form of
23 taxation of advertising in the foreign periodicals. The
24 case for such action is clearly strengthened by the unfair
25 competition, or "dumping", aspects attributed to those
26 foreign media practising overrun costing, in various ways,
27 to permit Canadian advertising content at special rates --
28 if these condition can be proved to the satisfaction of
29 the Commission.
30



1 The purpose of these observations on a problem
2 that is somewhat, but not entirely remote from scholarly
3 journal publishing interests is to present our view on
4 what appears to be the central concern of these hearings.
5 We believe that if any form of control is recommended by
6 the Commission, the recommendation should be clearly
7 founded on economic rather than cultural considerations,
8 and should favour economic control rather than content
9 censorship in any form. There follow three recommendations
10 and suggestions.

11 The influence of Canadian scholarly publishing
12 programmes could be substantially increased if information
13 regarding the publications could be advertised still more
14 effectively, without the necessity of underwriting such
15 additional costs with funds that otherwise would be used
16 for subsidy of scholarly works of all kinds. Additional
17 advertising investments cannot, generally speaking, be
18 expected to be self-liquidating in this field. We would
19 respectfully suggest that the appropriate departments of
20 government might be encouraged and enabled to mount
21 advertising and other promotional programmes, in Canada
22 as well as abroad, on behalf of this country's scholarly
23 and cultural periodicals and books, as is now done for the
24 tourist industry (to mention one example). Such adverti-
25 sing should be informational and it should be precisely
26 descriptive of the serious publications to which it might
27 refer. Advance consultation with relevant publishers, but
28 for advice only, should be a part of any such programme. We
29 would prefer not to urge that this be an additional charge
30 on the Canada Council's present budget, if only because this



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2 would require diversion of funds from the Council's other
3 subsidizing programmes. But administration of such a
4 programme, with additional financial assistance provided,
5 might well be entrusted to the Canada Council, or the
6 Canada Council itself might act as an impartial adviser.

7 We would urge the earliest possible ratification
8 by Canada of the Universal Copyright Convention. It is
9 recognized that revision of the existing Canadian Copyright
10 Act is considered to be a necessary preliminary, and we
11 feel that this process should therefore be expedited, or
12 better, interim legislation enacted that would permit
13 prompt ratification, immediate ratification.

14 We consider that it would not be unrealistic for
15 Canada to request of the United States, through appropriate
16 channels, immediate exemption of Canadian publications from
17 the manufacturing requirements of the United States Copy-
18 right Act. This could be a useful interim step toward
19 ratification of the Universal Copyright Convention, and
20 early rescinding of the compulsory licensing provisions
21 in our own Copyright Act could be discussed simultaneously.
22 We do not believe that the latter provisions are useful
23 (see Report on Copyright, Royal Commission on Patents,
24 Copyright, Trade Marks and Industrial Designs, Queen's
25 Printer, Ottawa, 1957, at pages 30 ff.).

26 At an appropriate point I would like to call
27 Mr. Irwin to testify on the copyright point.
28
29
30

APPENDIX I

COPY OF LETTER FROM ROYAL COMMISSION ON PUBLICATIONS

P.O. Box 1501,
Station "B",
Ottawa, Ontario.

October 31, 1960.

Mr. M. Jeanneret, Director,
University of Toronto Press,
Front Campus,
University of Toronto,
Toronto 5, Ontario.

Dear Mr. Jeanneret:

Thank you for your letter of October 25, 1960 and the enclosed catalogue.

The Royal Commission on Publications would be most interested in receiving a submission from the University of Toronto Press concerning the position of the scholarly publications in Canada. Accordingly, I am enclosing herewith a memorandum to participants, in which you will note that the Commission will be holding hearings in Toronto from Dec. 12 to 14, 1960. Should you decide to make a submission, the Commission would appreciate the receipt of fifteen (15) copies by December 5.

I note that copies of the order-in-council containing the terms of reference for the Commission were not enclosed. This oversight is regretted and three copies are enclosed herewith.

Yours sincerely,

(Signed) P. Michael Pitfield,
Secretary

/adr
Enc.

APPENDIX II

UNIVERSITY OF TORONTO PRESS

Begun as a small printing plant in 1901, the University of Toronto Press has developed into a leading Canadian publisher and one of the important university presses of the world.

The University of Toronto Press employs approximately 200 persons in all departments. It operates a bookstore for the students of the University of Toronto, which is the largest bookstore in Canada, in area and in sales. It operates a printing plant with composing room, press room, and bindery, which employs approximately 100 persons. It has a publications department which is now issuing approximately seventy new books and 25 issues of journals every year. The editorial staff, known as the Bibliographical and Research Department, comprises 24 persons, the majority of whom hold honours university degrees. This editorial staff is headed by the Editor of the Press, and comprises Associate Editors, Assistant Editors, and Editorial Assistants, all precisely classified as to function and qualifications. In addition, there is a Production (design) department of three members.

Although the Press is operated as a department of the University, it requires no subsidies from the University, and the publication of scholarly books and journals is supported entirely from the margin on its own operations. Under its terms of reference any margin over and above costs of operation is devoted to the support of scholarly publishing. In 1960, the Press subsidized the publication of scholarly books in the amount of \$30,659, and of scholarly journals by \$35,506, in all, \$66,165. Total subsidies over the past five years have amounted to \$281,061. Financial policies of the Press are controlled by the Director, who reports to the Board of Governors; manuscripts for publication which are to be subsidized are approved by the Advisory Committee on Publications, appointed by the Board of Governors and composed of senior academic members of the University, with the President as Chairman and the Director of the Press as Secretary. (A list of the present Committee is appended hereto.)

Among several series established by the Press, that on Canadian Government is notable for the contributions which it has already made

in the fields of Canadian history and politics. Nine volumes have been published, of which two have won Governor-General's Awards for Academic Non-Fiction. Other well-known series are the Canadian Economic Studies, the Alexander Lectures, and the Mathematical Expositions Series. The University of Toronto Press has attempted to develop a publishing programme that is national in scope and that will serve the interests of scholarship throughout Canada. It has published many volumes in co-operation with other universities in every part of Canada. No special preference is given to authors located on the Toronto campus. The organizations with which it is associated in the publication of scholarly journals are national in scope.

A distinguishing feature of the University of Toronto Press publishing operation is the high percentage of its books shipped abroad. Substantially more than fifty per cent of its output is exported from Canada, and it is unique among Canadian publishing houses in having highly organized selling facilities in almost every major book-buying country of the world, including the United Kingdom, Europe, India, Pakistan, and the Near and Far East. United States orders, which comprise the largest single group, are serviced from a warehouse maintained by the University of Toronto Press in the United States.

In 1959 the Press embarked upon a monumental work - the Dictionary of Canadian Biography. This vast project was made possible by a bequest of the late James Nicholson of Toronto, valued at over a million dollars. Income only from the estate will be used, the Dictionary thus being maintained in perpetuity. First general editor is Dr. George W. Brown, eminent historian, and the staff comprises members of the Bibliographical and Research Department of the Press.

THE ADVISORY COMMITTEE ON PUBLICATIONS

Dr. Claude T. Bissell, President of the University of Toronto
 A. R. Gordon, Dean of the School of Graduate Studies, Head of
 the Department of Chemistry

(The Advisory Committee on Publications)

- R. R. McLaughlin, Dean of the Faculty of Applied Science and Head of the Department of Chemical Engineering
- J. A. MacFarlane, Dean of the Faculty of Medicine
- M. St. A. Woodside, Principal of University College
- C. A. Wright, Dean of the Faculty of Law
- V. W. Bladen, Dean of the Faculty of Arts
- J. M. S. Careless, Chairman of the Department of History
- A. S. P. Woodhouse, Head of the Department of English, University College
- Rev. L. J. Bondy, Head of the Department of French, St. Michael's College
- T. A. Goudge, Professor of Philosophy
- C. D. Rouillard, Head of the Department of French, University College
- C. E. Phillips, Professor of Education
- H. S. M. Coxeter, Professor of Mathematics
- E. H. Craigie, Professor of Comparative Anatomy and Neurology
- G. W. Brown, Honorary Editor of the University of Toronto Press and General Editor, Dictionary of Canadian Biography
- Marsh Jeanneret, Director of the University of Toronto Press

UNIVERSITY OF TORONTO PRESS

STATEMENT OF INCOME AND EXPENSE OF SUBSIDIZED PERIODICALS

FOR THE YEAR ENDING JUNE 30, 1960
(with comparative total figures for the 1959 year)

	University of Toronto Quarterly	The Canadian Historical Review	The Canadian Journal of Economics and Political Science	The University of Toronto Law Journal	Canadian Journal of Psychology	Canadian Journal of Mathematics	The Phoenix	Provision for completion	Total 1960	Total 1959	Increase or (decrease)
Income:											
Advertising	\$ 579	\$ 457	\$ 542	\$ 410	\$ 1,299	\$ 5,000	\$ 1,200		\$ 1,968	\$ 1,884	\$ 84
Subscriptions	5,593	5,346	988	907	4,029	\$3,000	\$1,200		10,143	10,542	(399)
Reimbursement of printing costs	500	1,914	8,883						14,826	11,581	3,245
Subsidy received						\$3,000	\$1,200		4,700	500	4,200
	\$ 4,672	\$ 5,697	\$10,423	\$1,317	\$5,328	\$3,000	\$1,200		\$31,637	\$24,517	\$7,120
Cost of operating:											
Printing	\$ 7,324	\$ 6,765	\$12,226	\$2,209	\$6,224				\$24,748	\$29,677	\$5,071
Salaries of outside editors		1,050	750	550	200				2,350	2,350	
Bibliographical department charges	2,805	2,554	4,256	382	303	\$ 751			10,842	8,262	2,580
Office salaries and expenses	1,500	986	1,500	204	600				4,800	4,800	
Payments to contributors	1,978								1,978	1,925	53
General expenses	215	488	322	50	146	15	\$1,200		1,226	1,053	173
Subsidies granted	466	408				3,000			4,200	3,600	600
Special promotion									874	237	637
	\$14,289	\$12,071	\$19,034	\$3,185	\$7,473	\$3,766	\$1,200		\$61,016	\$51,884	\$9,134
Departmental gross expense	\$ 9,617	\$ 6,574	\$ 8,611	\$1,868	\$2,145	\$ 766			\$29,381	\$27,367	\$2,014
Addition to provision for completion (statement 13)								\$19	19	1,933	(1,914)
Add portion of general administration expenses	477	477	477	191	246	19	19		\$29,400	\$29,300	\$ 100
Total departmental expense	\$10,094	\$ 6,851	\$ 9,088	\$2,059	\$2,391	\$ 785	\$ 19	\$19	\$31,306	\$31,030	\$ 276

NOTE: The figures at the bottom of each column indicate the net loss borne by the University of Toronto Press budget for each journal for the year. The journals are published under a variety of financial arrangements, so that parallel figures will not necessarily be found in all columns. A portion of the expense of the Canadian Journal of Economics and Political Science is borne by the Political Science Association, and part of that of the Canadian Journal of Psychology by the Canadian Psychological Association. The subsidies shown as applied to the Canadian Journal of Mathematics and The Phoenix are paid from the Publications Fund of the Press (both journals also receive support from other sources). These two subsidies should be added to the total departmental expense, comprising a total of \$35,500 expended by University of Toronto Press for the year in the support of scholarly journals.

APPENDIX IV

Separate Exhibit
(see pocket inside back cover)

COMPLETE CATALOGUE OF UNIVERSITY OF TORONTO PRESS

BOOKS IN PRINT

Total: 479 titles

APPENDIX V

Separate Exhibit
(see pocket inside back cover)

AUTHOR'S MANUAL
FOR USE IN CONNECTION WITH MATHEMATICAL WORKS

APPENDIX VI

SOME RECENT INTERNATIONAL PROCEEDINGS

PUBLISHED BY UNIVERSITY OF TORONTO PRESS

- XVII Concilium Ophthalmologicum 1954 (Canada; United States of America): Acta. 1955. Vols. I, II, and III (2107 pages).
Proceedings of the IX International Botanical Congress. Three volumes (733 pages). Volumes IV and V in preparation.
Proceedings of the X International Congress of Genetics. Three volumes (961 pages).
Proceedings of the International Conference on Nuclear Structure. (900 pages). 1960
Proceedings of the VII International Conference on Low Temperature Physics (576 pages). 1960
Proceedings of the International Conference on Nuclidic Masses (250 pages). 1960
Transactions of the American Ophthalmological Society. Ninety-Fourth and Ninety-Fifth Meetings; Ninety-Sixth in preparation. (About 800 pages each.)
Geology of the Arctic: First International Symposium on Arctic Geology, sponsored by the Alberta Society of Petroleum Geologists (1100 pages). In preparation.

APPENDIX VII

THE SCHOLARLY BOOKS OF THE UNIVERSITY OF TORONTO PRESS

POLICY STATEMENT

This statement of existing policy respecting the scholarly books of the University of Toronto Press was adopted by the Advisory Committee on Publications at its meeting on May 13, 1960.

The general purpose of the subsidized programme of scholarly book publication of the University of Toronto Press is to disseminate the results of scholarly research which might not otherwise be adequately published. It should be noted that the Press issues other scholarly books, as well as other appropriate non-fiction works, whose publication does not require subsidy from the Press. The information that follows relates only to the subsidized book publishing programme.

Subsidies for scholarly book publication are provided from the Publications Fund of the University of Toronto Press. This Fund is maintained by annual grants authorized by the Board of Governors of the University, on the recommendation of the Director, entirely from the proceeds of Press operations, and without assistance -- either direct or indirect -- from other University funds. At the present time, out of total grants of seventy thousand dollars, the sum of approximately forty thousand dollars is devoted annually to the support of publication of scholarly books. The balance is devoted to the scholarly journals programme. In practice, total costs of publication of approved subsidized books are charged to the Fund at the time they are incurred, and net proceeds of sales of such books are credited to the Fund as they accrue. Thus the subsidies voted annually make possible a much larger dollar value of publishing than the cost of the subsidized books themselves.

The Publications Fund is administered by the Advisory Committee on Publications, which is composed of senior members of the University staff representing the major disciplines, with the President as

Chairman and the Director of the Press as Secretary. Scholarly manuscripts are given first consideration by the Editorial Department of the University Press; if not declined at this stage they may then be submitted to carefully selected readers for expert opinions in the particular field of study to which each belongs. Because of the highly specialized nature of most manuscripts thus considered, every effort is made to secure reports from the senior authorities in the world, wherever they may be. Appropriate fees are paid to the readers and the identity of those reporting is held in strict confidence, normally being shared only with the Advisory Committee. Manuscripts recommended by readers' reports are brought forward for consideration by the Committee at its next regular meeting. Ordinarily, the Committee does not examine the actual manuscripts, but meets to appraise the reports received.

The Advisory Committee's ability to publish is limited by budgetary considerations at any time. It also recognizes some natural priorities of interest in addition to the first priority of merit. Manuscripts written by Canadian scholars, or on subjects relating to Canada, or presenting results of research carried out in Canada, are generally felt to have some priority of claim on the Fund, all other considerations being equal. Reprints of scholarly works previously published elsewhere, or translations of published works, necessarily have a low priority. No special priority has been granted works written at the University of Toronto, and rather more than half the works subsidized by the Press represent scholarship at other institutions.

The financial support given to manuscripts through the Publications Fund is frequently augmented by smaller additional subsidies previously offered by councils such as the Social Science Research

Council of Canada, the Humanities Research Council, and, of recent years, the Canada Council, or by other universities and institutions. (Personal subsidies by authors of manuscripts are accepted only under very exceptional circumstances.) It is to be noted that grants made by the Councils are also usually based on reports from qualified readers. Although a Council recommendation does not imply automatic acceptance by the Press, it carries great weight. An important difference between the activities of the Councils and the Advisory Committee is that the Councils may give support to research as such, whereas the Publications Fund supports only the results of research as embodied in manuscripts submitted.

A collateral grant of great importance to scholars publishing in the humanities and social sciences has been received in recent years from the Ford Foundation. This grant, which is subject to numerous conditions that parallel the Press's own conditions with regard to subsidizing book publications, has amounted to \$8,500 per year over a five-year period beginning in 1957, annual renewal being based on audited reports supplied by the Press to the Ford Foundation each year.

Manuscripts subsidized by the Publications Fund are published under the same contractual arrangements with regard to royalties as are non-subsidized books; they are produced as attractively and promoted as vigorously, each in its proper market. Each manuscript is edited to a standard carefully set and maintained by the Editorial Department of the Press, but such editorial review always occurs in close consultation with the author. All details of format, including the selection of type, layout of pages, choice and arrangement of illustrations, the kind of paper, binding and jacket, are planned by the Publications Production Department. The Promotion Department prepares

descriptive literature, sends out review copies, and plans sales campaigns including exhibits, newspaper advertisements, extensive direct mail circularization, and personal calls on booksellers and scholars. The promotional objective is optimum distribution within the community to which the work is addressed.

A distinguishing feature of University of Toronto Press publishing is the extraordinarily high percentage of books sold outside of Canada. Substantially more than fifty per cent of the output is exported. The Press is unique among Canadian publishing houses in having highly organized selling facilities in almost every major book-buying country of the world, including the United Kingdom, Europe, India, Pakistan, and countries of the Near and Far East. United States orders, which comprise the largest single group, are normally filled from the Brooklyn warehouse of the University of Toronto Press,

With assistance from the Publications Fund, several scholarly series have been established by the Advisory Committee, including the University of Toronto Romance Series (founded 1948), the Department of English Studies and Texts (founded 1942), and the University of Toronto Near and Middle East Series (founded 1948). In 1946, the Committee approved the appointment of Professor R. MacGregor Dawson as editor of a new Canadian Government Series; this Series now includes nine volumes. Its present editor is Professor J. A. Corry. In 1949, the Social Credit in Alberta Series, edited by Professor S. D. Clark, was initiated with partial support from the Social Research Council of Canada under a special grant from the Rockefeller Foundation; the Series was brought to successful completion in 1959 when the tenth volume appeared.

APPENDIX VIII

THE SCHOLARLY JOURNALS OF THE UNIVERSITY OF TORONTO PRESS

POLICY STATEMENT

This statement of existing policy respecting the scholarly journals of the University of Toronto Press was adopted by the Advisory Committee on Publications at its meeting on May 13, 1960.

The scholarly journals publishing programme supported by the University of Toronto Press is complementary to its scholarly book publishing programme. The purpose of both is to disseminate the knowledge derived from research, and both are concerned with writing based on research that might not otherwise be adequately published. To this end, both are given substantial financial assistance by the University of Toronto Press in the form of annual grants authorized by the Board of Governors of the University. At the present time these grants exceed in total seventy thousand dollars per year, and are wholly provided by the Press itself from its other publishing, printing, and book distribution services. In 1959, approximately thirty thousand dollars of this grant was devoted to the support of the learned journals programme. As recently as 1947, the corresponding subsidy given to learned journals was twelve thousand dollars. The increase during the intervening twelve years has been chiefly directed to the improvement of what was already a major journals programme for one institution, to offsetting increases in costs of production, and to increasing the subsidies of the individual journals already supported rather than to expanding the programme to include new journals.

This programme of publishing scholarly journals began with the Canadian Historical Review in 1920. The Review was followed by the University of Toronto Quarterly in 1931; the Canadian Journal of Economics and Political Science, published jointly with the Canadian Political Science Association, in 1934; the University of Toronto Law Journal in 1934; the Canadian Journal of Psychology, published jointly

with the Canadian Psychological Association, in 1946; The Phoenix, the journal of the Canadian Classical Association, in 1947; and the Canadian Journal of Mathematics, sponsored by the Canadian Mathematical Congress, in 1949. All of these journals have been published continuously since their founding, and comprise twenty-five issues of seven academic journals every year.

The seven journals are published under various arrangements with respect both to editorial control and to control of finances. In some cases the total cost of publication is underwritten by the Press, in others either the Press or the learned society concerned contributes a specified amount annually, the other of these two sponsors carrying the balance. In accordance with the arrangements made for each journal, the Press supplies complete manuscript editing through its large Editorial Department, design and production through its ^{Production} Publications / Department, supervision of advertising through its Promotion Department, and subscription and accounting service through its business departments. Particular emphasis is placed by the Press on careful preparation of manuscripts for typesetting, and on supervision of every stage of production, to ensure that production standards are maintained.

A learned journal is usually composed of articles based on research which by reason of their length, immediacy, or significance have been considered appropriate to periodical publication. Book reviews and bibliographies, as the tools of research, are also normally suitable for journal publication. The awareness of the scholar of the accessibility of publication in a suitable journal can lend added enthusiasm to his research, because of his confidence that he will secure adequate and reasonably prompt publication if his work merits it. The publication of scholarly journals in Canada means that the scholar need not feel his opportunity of securing publication will be limited if he

chooses to work in a field particularly relating to this country.

Basic criteria for the editorial content of a scholarly journal normally include the following:

1. The purpose of an academic journal is publication of research, not the dissemination of propaganda for any particular institution or any particular discipline.
2. An academic journal should fill a genuine scholarly need, and serve a public which is important, although not necessarily large.
3. A subsidized academic journal should not seek to duplicate services adequately provided by existing media, whether the latter are subsidized or not.
4. The primary purpose of an academic journal is to serve an existing academic community, not to create one, although the establishment of a journal can undoubtedly contribute a great deal to the growth of an institution or association.
5. Ephemeral news, notes, and reports of personal activities, such as might appear in a news bulletin, are not ordinarily appropriate for inclusion in a scholarly journal.
6. Any journal sponsored by University of Toronto Press is expected to maintain standards of format equivalent to those of other Press publications with respect to cover design, choice of type, selection of paper, and layout of advertisements, if any.

The financial responsibilities involved in the journal publication programme of University of Toronto Press differ in some important respects from those involved in its book publishing programme. Main considerations to be borne in mind include the following:

1. A journal is a continuing financial responsibility which is incurred for an indefinite period and cannot be estimated in totality, even though its continuance is, of course, subject to review by the

sponsoring body or bodies at all times. The expense of publishing a book, on the other hand, can be estimated, incurred, and paid, normally within a relatively short period. If funds are not available, publication of a book may be deferred or declined, whereas a journal is not easily postponed even if funds are short. The decision to share responsibility for a new journal is therefore much more serious than the decision to publish even a very costly book.

2. The assurance of continuing support from a national association is of great assistance in maintaining a scholarly journal, and may be a considerable incentive to beginning one.

3. The journals publishing programme and the subsidized book publishing programme of the University of Toronto Press are not in any sense competitive one with the other, but it is desirable that they should be kept in balance. Nor are they intended to be competitive with similar programmes of other Canadian institutions.

4. It is not possible, save in very unusual circumstances, to render an academic journal financially self-sustaining without altering its academic character.

5. Although the distribution of an academic journal can be improved by judicious promotion, an artificially inflated subscription list may not be beneficial in the long run to the financial health of the journal, nor to the needs it is intended to serve.

6. While the present inflationary trend continues, financial arrangements between the Press and any sponsoring institution or association will require periodic review and adjustment.

The Advisory Committee on Publications of the University of Toronto Press does not interfere with editorial policy so long as a journal continues along the broad lines on which it was established, but changes in editorship are regularly approved by the Advisory Committee.

APPENDIX IX

COMPARATIVE CIRCULATION OF SIMILAR SCHOLARLY JOURNALS
PUBLISHED IN CANADA AND IN THE UNITED STATES

HUMANITIES

			<u>Circulation</u> 900
*Toronto Quarterly	articles and reviews	quarterly	
Books Abroad	international comment on books	"	1275
Criticism	art and literature	"	251
Diogenes	philosophy and humanism	"	1200
Georgia Review	literary quarterly	"	1700
Hudson Review	literary quarterly	"	3000
Romantic Review	romance languages and literature	"	626
South Atlantic Quarterly	general literature	"	786
*The Phoenix	classical articles	"	800
Classical Philology	" "	"	743

SOCIAL SCIENCES

*Canadian Historical Review	articles and reviews	quarterly	1500
American Historical Review (Association Journal)	" "	" "	10,500
Hispanic American Historical Review	" "	" "	1344
*Journal of Modern History	" "	" "	1606
*Canadian Journal of Economics and Political Science	" "	" "	2250
American Economic Review (Association Journal)	" "	" "	13,082
American Political Science Review	" "	" "	7000
Journal of Political Economy	" "	" "	2991
Quarterly Journal of Economics	" "	" "	2900
*University of Toronto Law Journal	" "	" "	540
Oklahoma Law Review	" "	" "	750
University of Chicago Law Review	" "	" "	1658
*Canadian Journal of Psychology	" "	" "	1260
American Psychologist (Association Journal)	" "	monthly	17,925
Contemporary Psychology	" "	monthly	6335
Journal of Experimental Psychology	" "	monthly	2860
Journal of Personality	Experimental studies	quarterly	1640
*Canadian Journal of Mathematics	mathematical articles	quarterly	900
Annals of Mathematics	" "	6 per year	1000

*Journals published by University of Toronto Press and circulation figures from Press records. All other figures from An Advertiser's Guide to Scholarly Periodicals, 1960-61, compiled by the Association of American University Presses.

APPENDIX X

JOURNALS PUBLISHED BY UNIVERSITY OF TORONTO PRESS

THE CANADIAN HISTORICAL REVIEW

Editor: John T. Saywell

Published by University of Toronto Press

Contains authoritative reviews and articles on history and associated subjects. A list of recent publications relating to Canada is a feature of each issue.

Published quarterly: March, June, September, December

Established: 1920

Average length per issue: 96 pages

Total circulation: 1500

Breakdown:	Canada	U.S.A.	Foreign
Individual	676	100	80
Library	325	286	46

Advertising rates: Back cover, \$50.00; full page, \$40.00; half-page, \$25.00

Subscription: \$4.00 per year; single copies, \$1.50

THE CANADIAN JOURNAL OF ECONOMICS AND POLITICAL SCIENCE

Editor: J. H. Dales

The Journal of the Canadian Political Science Association. Published by University of Toronto Press in co-operation with the Association.

Contains scholarly articles and authoritative reviews on economics and political science.

Published quarterly: February, May, August, and November

Established: 1934

Average length per issue: 160 pages

Total circulation: 2250

Breakdown:	Canada	U.S.A.	Foreign
Individual	1072	192	276
Library	222	296	189

Advertising rates: Back cover, \$50.00; full page, \$40.00; half-page, \$25.00

Subscription: \$6.00 per year; single copies, \$1.50

THE CANADIAN JOURNAL OF PSYCHOLOGY

Editor: J. M. Blackburn

The Journal of the Canadian Psychological Association. Published by University of Toronto Press in co-operation with the Association.

Contains scholarly articles and authoritative reviews.

Published quarterly: March, June, September, and December

Established: 1946

Average length per issue: 80 pages

Total circulation: 1260

Breakdown:	Canada	U. S. A.	Foreign
Individual	715	202	63
Library	42	188	52

Advertising rates: Full page, \$60.00; half-page, \$35.00

Subscription: \$6.00 per year; single copies, \$1.75

THE UNIVERSITY OF TORONTO LAW JOURNAL

Editor: F. E. La Brie

Published by University of Toronto Press

Contains scholarly articles and authoritative reviews.

Published annually: Spring term

Established: 1934

Average length per issue: 176 pages

Total circulation: 540

Breakdown:	Canada	U. S. A.	Foreign	Bulk sale*
Individual	89	2	8	400
Library	17	16	9	

* Not broken down

Advertising rates: Back cover, \$50.00; full page, \$40.00, half-page, \$25.00

Subscription: Two numbers constitute a volume \$4.00 a volume, \$2.50 a number

THE TORONTO QUARTERLY

Editor: Millar MacLure. Assistant Editor: F. W. Watt

Published by University of Toronto Press

A Canadian journal of the humanities. Letters in Canada is an annual feature.

(Toronto Quarterly)

Published quarterly: October, January, April, July

Established: 1931

Average length per issue: 112 pages

Total circulation: 900

Breakdown:	Canada	U.S.A.	Foreign
Individual	344	43	56
Library	235	208	27

Advertising rates: Back cover, \$50.00; full page, \$40.00; half-page, \$25.00

Subscription: \$4.00 per year; single copies, \$1.50

THE PHOENIX

Editor: Mary White. Editor pro tem.: A. Dalzell

The Journal of the Classical Association of Canada. Published by University of Toronto Press for the Association.

Contains scholarly articles and reviews.

Published quarterly: February, May, August, November

Established: 1946

Average length per issue: 64 pages

Total circulation: 800 (breakdown not available)

Advertising rates: Full page, \$25.00; half-page, \$15.00

Subscription: \$4.00 per year; single copies, \$1.00

CANADIAN JOURNAL OF MATHEMATICS

Editor-in-Chief: G. F. D. Duff

Published by University of Toronto Press for the Canadian Mathematical Congress

Contains articles on pure and applied advanced mathematics.

Published quarterly: January, April, July, October.

Established: 1949

Average length per issue: 160 pages

Total circulation: 900

Breakdown	Canada	United States	Foreign
	114	341	451

Total Individual, 213

Total Library, 677

Complimentary, 16

Advertising rates: \$50 per page

Subscription: \$8.00 a year, \$2.00 a copy

APPENDIX XI

"RECIPROCAL" ASPECTS OF CANADIAN AND UNITED STATES COPYRIGHT

(The following summary is based on Fox, Harold G., The Canadian Law of Copyright, University of Toronto Press, 1944, p. 549 et seq.)

Extension of Statute to Foreign Countries

Power is given to the Minister to extend the benefit of the Act to countries outside the Union by s. 4(2) which provides that if the Minister certifies by notice that any country which has not adhered to the Convention grants or has undertaken to grant either by treaty, convention, agreement or law to citizens of Canada the benefit of copyright on substantially the same basis as to its own citizens, or copyright protection substantially equal to that conferred by the Canadian Act, such country shall, for the purpose of the rights conferred by the Act, be treated as if it were a country to which the Act extends. The Minister is empowered to give such a certificate notwithstanding that the remedies for enforcing the rights or restrictions on the importation of copies of works under the law of such country differ from those in the Canadian Act.

Extension to the United States

Such a notice certified by the Minister was made in respect of unpublished works in favour of the United States of America on December 26, 1923 ("Canada Gazette" vol. 57, no. 26 at 2157, Dec. 29, 1923.) By the terms of this notice it was provided that the United States should, from January 1, 1924, "for the purpose of the rights conferred by the said Act be treated as if it were a country to which the said Act extends." The effect of this notice was that since January 1, 1924, citizens of the United States have been entitled to the full protection of the Copyright Act and amendments, without the performance of any formalities.

American Copyright in Canadian Works

Thereupon the President of the United States, on December 27, 1923, issued a proclamation to the effect that on and after January 1, 1924,

"citizens of Canada will be entitled to all the benefits of the Act of March 4th, 1909 (The existing U.S. Copyright Law.), . . . and the Acts amendatory to the said Act." However, the enjoyment by any work in the United States of the rights and benefits conferred by the Act of March 4, 1909, and the Acts amendatory thereof, are conditioned upon compliance with the requirements and formalities prescribed with respect to such works by the copyright laws of the United States.

By s.8 of the United States Act of 1909 copyright extends to the work of an author or proprietor who is a citizen or subject of a foreign state or nation (a) when he is domiciled within the United States at the time of the first publication of his work; or (b) when the foreign state or nation of which such author or proprietor is a citizen or subject grants, either by treaty, convention, agreement or law, to citizens of the United States the benefit of copyright on substantially the same basis as to its own citizens, or copyright protection substantially equal to the protection secured to such foreign author under this Act or by treaty; or when such foreign state or nation is a party to an international agreement which provides for reciprocity in the granting of copyright, by the terms of which agreement the United States may, at its pleasure, become a party thereto. The existence of the reciprocal conditions aforesaid shall be determined by the President of the United States by proclamation. In the absence of such a proclamation a foreigner cannot avail himself of the copyright laws of the United States.

In order to obtain copyright in the United States, therefore, Canadian citizens are eligible but must comply with the requirements of the Copyright Act of 1909. Each copy of the work must bear a notice that the work is the subject of copyright. Copies of the work must be deposited promptly with the Registrar of Copyrights, and the deposit must be accompanied by a claim of copyright. Books and periodicals in the English language, even though of foreign origin, must be printed in the United States.

APPENDIX XII

THE PROMOTION OF UNIVERSITY OF TORONTO PRESS BOOKS AND JOURNALS

I. Books. The main methods of promotion may be summarized under these seven headings:

1. Review and desk copies
2. Cataloguing
3. Direct Mail
4. Display Advertising
5. Personal Contact
6. Exhibits
7. Overseas Agents

1. Review and other free copies are sent out sometimes to a maximum of 10 percent of the total first printing. Depending on the nature of the book in question these copies go to appropriate scholarly journals, book review editors in the daily and weekly press, etc. Other free copies have to be deposited with the National Library and forwarded to overseas agents (see 7).

2. Every book published by University of Toronto Press is catalogued in one or more seasonal catalogues which contain complete descriptive references. In addition, each book is listed for as long as it is in print in the Catalogue of Books in Print which is circulated annually to every major library in the world, and to many scholars. A special printing of this catalogue is also produced for inclusion in Books in Print, the major bibliographic reference for the book trade and libraries in North America.

3. Direct mail prospectuses, appropriate to each publication issued, are distributed to academic and other mailing lists with greatest possible thoroughness. Again the nature of the brochure entirely depends on the market being approached and the nature and quality of the book. During the current year over 350,000 mailing pieces will be dispatched by University of Toronto Press to scholars, libraries, and bookstores all over the world--including the Soviet Union.

4. Display advertising in both the daily press and in popular and academic journals is limited only by the budgets available for each, and these budgets are continuously revised according to sales experience.

5. Personal contact with booksellers and librarians is maintained in Canada by sales representatives in Vancouver, Winnipeg, Montreal, and Fredericton (covering the Atlantic Provinces). The country is also covered by annual visits made from Toronto. These personal contacts are of the utmost importance in impressing the book trade as a whole with the importance of our publications.

6. A widespread range of exhibits is held under various auspices all over the world. Co-operative displays with the Association of American University Presses are in continuous progress. In recent years University of Toronto Press books have been exhibited at the Leipzig and Frankfurt book fairs, in Great Britain, in many parts of the United States and Canada, in South America, and in Tokyo.

7. University of Toronto Press books abroad are sold through sales agents.

In Europe the firm of W. S. Hall, based on Amsterdam, carries copies of books and catalogues to all the major European booksellers as well as supervising the distribution of leaflets supplied by us to over 600 different accounts. W. S. Hall also covers Soviet Europe on our behalf.

In Great Britain Oxford University Press acts as agent and carries in London a stock of virtually every Toronto title in print. Oxford University Press is supplied with catalogues which are distributed to booksellers and libraries and their salesmen carry copies of books and jackets on their sales visits. Oxford University Press is also responsible for India and Pakistan.

The rest of the world is covered through the firm of Henry M. Snyder who have sales agents in South America, Australasia, Africa, and the Philippines. As with our other agents, Henry M. Snyder promote through the use of catalogues and direct mail material as well as copies of the books.

Miscellaneous means of promotion include the use of radio and television, the use of books as prizes, and other normal promotional methods. In general, the purpose is to inform the proper constituency for each publication, never to mislead customers.

II. Journals. The journals published by University of Toronto Press are promoted in very similar ways throughout the world. Every catalogue produced by the Press includes full details of these journals and from time to time special promotional literature is produced for one or more of them. It is not financially feasible, of course, to attempt to promote each issue of each journal as it appears. University of Toronto Press overseas agents do not promote University of Toronto Press journals directly. However, in recent years a special effort has been made to solicit every major university and public library in the world.



THE CHAIRMAN: Before that I would like to ask

1 a question on that point. We had a Royal Commission on
2 copyright and I think it lasted two or three years or
3 more, the Ilsley Commission. Did you people or any
4 organization or group interested in copyrights make
5 representation to Mr. Ilsley?

6 MR. JEANNERET: We did indeed.

7 THE CHAIRMAN: Did you make it on the point you
8 cited about a Canadian book?

9 MR. JEANNERET: We did indeed.

10 THE CHAIRMAN: Do you know what he reported on
11 it?

12 MR. JEANNERET: Yes, we have no quarrel with the
13 Commission's report on that particular point of which I
14 am aware. Our only concern extends from the fact that the
15 report itself was published in 1957 and no action has been
16 taken.

17 THE CHAIRMAN: Has not some action been taken on
18 sections of the report? I am not sure of this but I am
19 under the impression certain recommendations had been
20 dealt with and others are in abeyance.

21 MR. JEANNERET: On copyright I cannot recall
22 any action that has been taken.

23 THE CHAIRMAN: But you did make representations?

24 MR. JEANNERET: Very much so.

25 THE CHAIRMAN: Have you seen the recommendation
26 he made with respect to that?

27 MR. JEANNERET: Yes.

28 THE CHAIRMAN: And were they satisfactory?

29 MR. JEANNERET: On this point --
30



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2 THE CHAIRMAN: He deals specifically with this
3 point?

4 MR. JEANNERET: Yes, on this point they are
5 satisfactory. I would qualify my statement in one respect
6 only and that is that the report, I believe, questioned
7 the advisability of Canada acceding to the Brussels
8 Convention. This is a technical point regarding term of
9 copyright and I think we would at variance with the
10 recommendations on this point but it is a subsidiary point.

11 THE CHAIRMAN: When you speak of subsidizing
12 these scholarly books, just exactly what do you mean?
13 You subsidize them? Where do the funds come from?

14 MR. JEANNERET: Out of our normal publishing
15 operations and our printing and our bookstore operations,
16 more or less in that order.

17 THE CHAIRMAN: And this is despite the disability
18 which you normally labour under by virtues of this United
19 States Copyright law or this arrangement between the two
20 countries. Does it affect you in some way?

21 MR. JEANNERET: The copyright exposure?

22 THE CHAIRMAN: Yes.

23 MR. JEANNERET: It affects all the publishing
24 in Canada. We believe the remarkable fact, in our opinion,
25 is that it is as healthy an industry as it is under such
26 disability.

27 THE CHAIRMAN: Just one other question; I want
28 to ask you about censorship. Apparently you agree that
29 something should be done of an economic character to help
30



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2 Canadian magazines but then you say as academic publishers
3 you are opposed to sponsorship in any guise. Could you
4 give us your idea of censorship in any particular guise?

5 MR. JEANNERET: Yes, we refer here to the
6 possibility of entrusting to a custom's officer or even
7 a department of government the responsibility of judging
8 imported materials on the ground of bias, accuracy,
9 emphasis, and cost and if it should become a quota this
10 is what would be implied.

11 THE CHAIRMAN: I think I can put your mind at
12 rest right now because our terms of reference would not
13 permit us to do anything like this. Let us go on a little
14 further with it. Would you say that a tax on the adverti-
15 sing contained in these split-runs or in the allegedly
16 Canadian magazines that this would -- would you regard
17 this as censorship?

18 MR. JEANNERET: I think if the argument in
19 favour of such a tax were an economic one it would be
20 questionable whether or not it could be called censorship.
21 It would be tantamount to some kind of alternative tax
22 exemption or tax rebate on Canadian advertising in Canadian
23 periodicals which does not stand up to scrutiny.

24 THE CHAIRMAN: When you think of censorship
25 surely you think of censorship of the printed word or
26 editorial matter.

27 MR. JEANNERET: Censorship in the respect of
28 exclusion.

29 THE CHAIRMAN: Included in the advertising
30 content?



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2 MR. JEANNERET: Not the content as such but I
3 think that could be advocated as something other than
4 censorship. We simply stress the importance of being
5 cautious.

6 THE CHAIRMAN: You stress the importance of
7 opinion. Well, I think your brief has been extremely
8 helpful to us. You say you wished to call somebody to
9 give us something further on the copyright disabilities?

10 MR. JEANNERET: I believe it may be useful to
11 the Commission and I think it can be put briefly by Mr.
12 Irwin.

13 MR. IRWIN: Mr. Chairman, I am President of the
14 Book Society of Canada, educational publishers. Mr.
15 Jenneret asked me to present certain evidence on the
16 matter of the disability the Canadian publisher faces in
17 connection with United States restrictions, primarily the
18 manufacturing clause. This firm in 1947 started to
19 publish a series and I will give you one short instance,
20 a series of small books, one in 1947, another in 1948,
21 one in 1949 and 1950. During that time we tried to get
22 an American publisher interested but it was not until
23 1951 that we were successful. This particular publisher
24 was interested only in trying to market and took approxi-
25 mately 1,500 copies. He then was encouraged and gradually
26 throughout that year bought up to 6,000 copies in that
27 one year of 1951. However, because of our allowing him
28 to import more than 1,500 our copyright was lost. In
29 the book business, in the educational business certainly
30 a book does not necessarily hit its peak or develop its



1 momentum for quite some years. I might say in connection
2 with that series of which we finally published about
3 eight books that they now produce and sold in the United
4 States about just over 2,000,000 copies. We have other
5 books at the present time, I have three books in which
6 an American publisher is interested, one of which we
7 have published and they have taken 1,400 copies. Now, to
8 protect our interests we have to negotiate with them for
9 them to manufacture in the United States and it is a
10 strange situation that I will now find it better, cheaper
11 for myself to let them manufacture for their market and
12 mine and import this book which originated with an
13 Oshawa teacher. I have another book, the Grade 13 compo-
14 sition of which is in the same position. This not only
15 works hardship on us but we are only able to get a royalty
16 which we split usually with the author and also the
17 Canadian manufacture of these books is denied to printers
18 and paper manufacturers.
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2 THE CHAIRMAN: Is this resulting in Canadian
3 writers like Mr. Hugh Maclellan and Mr. David Walker,
4 people like that, seeking American publishers?

5 MR. IRWIN: Yes, that is the practical effect
6 of it, as Mr. Jeanneret mentioned.

7 THE CHAIRMAN: Could they not have two publi-
8 shers; could they not publish in Canada and in New York
9 simultaneously?

10 MR. IRWIN: Yes, they could.

11 THE CHAIRMAN: But that would be expensive?

12 MR. IRWIN: Yes.

13 THE CHAIRMAN: So, they are, in effect, going
14 to New York and getting an American publisher there, or
15 to Boston?

16 MR. IRWIN: Yes.

17 THE CHAIRMAN: And this visits a hardship on
18 the Canadian publisher?

19 MR. IRWIN: Not only that, but on the Canadian
20 manufacturers.

21 THE CHAIRMAN: Who publishes the War Record of
22 Mackenzie King; where was it, in fact, published?

23 MR. JEANNERET: The University of Toronto press.

24 THE CHAIRMAN: And you mean to tell me if this
25 book sells 1,500 copies in the United States - which God
26 forbid - that it would be lost?

27 MR. IRWIN: I think it could be illustrated
28 even more. The first volume of the official biography -
29 the Dawson Biography - the manufacturer in the United
30 States sells this in Canada in order to acquire a good



1
2 U.S. copyright, and the cost of doing that is a direct
3 deduction from our bill for the subsidised publishing in
4 Canada, in effect.

5 THE CHAIRMAN: Have you made any recent repre-
6 sentations to Ottawa about this?

7 MR. IRWIN: We have made regular representa-
8 tions directly and indirectly, that is, through the
9 Publishers' Association, but all we have been told is
10 that the legislation is under consideration at the present
11 time.

12 THE CHAIRMAN: This admittedly is very diffi-
13 cult legislation, of course?

14 MR. IRWIN: Yes, but we would like to see the
15 lifting of the clause insofar as Canada is concerned by
16 the United States, and I suggest that the climate is
17 extremely favourable to such representations at this
18 time in history.

19 May I say, Mr. Chairman, that we suggest that
20 if Canada had a similar manufacturing clause that perhaps
21 this Commission would be unnecessary today. I say that
22 for this reason, and it is merely speculation since it
23 is impossible to suppose that Canada would have done this
24 brash thing, that it would have resulted in an exposure
25 of U.S. copyrights and would have resulted in the building
26 up of an extremely high tariff wall, and with these
27 agreed tariff walls you would have one against the U.S.
28 import into Canada that would make these deliberations
29 perhaps unnecessary. I don't think that this is entirely
30 facetious, but perhaps it is impracticable.



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2 THE CHAIRMAN: It is frightening. Now, we
3 interrupted you; do you wish to proceed?

4 MR. IRWIN: I think not, sir.

5 THE CHAIRMAN: Is the Toronto University Press
6 the only substantial university press in Canada?

7 MR. JEANNERET: We are the only English language
8 university press.

9 THE CHAIRMAN: Isn't there a University of
10 New Brunswick Press?

11 MR. JEANNERET: It is not related to the Uni-
12 versity in any way.

13 THE CHAIRMAN: It is just a name?

14 MR. JEANNERET: But the exception is the McGill
15 University Press which was founded on July 1st.

16 THE CHAIRMAN: We have had some complaints
17 here from various people through the course of our going
18 around the country that various universities in Canada
19 have been having their yearbooks printed in the United
20 States; is that true?

21 MR. JEANNERET: There is a very strong selling
22 organisation centered in a couple of places in the United
23 States which is soliciting from the students directly
24 and there is the preparation through them of their year-
25 book, which is quite a profitable business during six
26 months of the year, and they do this by offset litho-
27 graphy from photo copy prepared by the students here,
28 and it is on such a big scale that it gets Canadian
29 printing, very definitely.

30 THE CHAIRMAN: Is it true that the recent



1 Canadian Encyclopedia - which is something I haven't seen
2 - was actually published in the United States?
3

4 MR. JEANNERET: I believe that it was printed
5 in Owen Sound. I am speaking only from general informa-
6 tion.

7 THE CHAIRMAN: That is in Ontario.

8 MR. JEANNERET: Yes, I think so. Yes, that
9 is correct.

10 COMMISSIONER JOHNSTON: I have one or two
11 very simple questions. You mentioned the circulation
12 of the Canadian Historical Reviews was 673, or some such
13 thing.

14 MR. JEANNERET: It is 676 individuals, I
15 believe.

16 COMMISSIONER JOHNSTON: Well, it is under a
17 1,000. I think that I get it along with the Journal of
18 Economics and Political Science; would that be correct?

19 MR. JEANNERET: It could be correct. You are
20 to be complimented, Mr. Commissioner.

21 COMMISSIONER JOHNSTON: I pay an extra dollar
22 for it, I think.

23 MR. JEANNERET: The rates are set on a percen-
24 tage basis.

25 COMMISSIONER JOHNSTON: But is is not neces-
26 sarily a dividend on the membership in the Canadian
27 Political Science Association?

28 MR. JEANNERET: I believe it is distributed to
29 members of the Canadian Political Science Association as
30 part of the application of their membership fees.



1
2 COMMISSIONER JOHNSTON: And they have several
3 thousand members, haven't they?

4 MR. JEANNERET: No, that is an exaggeration,
5 I think, Mr. Johnston. The circulation, which is
6 chiefly derived from that membership - the circulation
7 is set forth here on page 33, and the total circulation
8 is 2,250, of which libraries account for 222.

9 COMMISSIONER JOHNSTON: Are you in competition
10 with the commercial printers?

11 MR. JEANNERET: We don't consider ourselves
12 to be, and I would say that 9 books out of 10 that we
13 publish would speak for themselves in this regard.
14 Using hindsight, occasionally a book turns into a
15 commercial success, and perhaps I could mention a few
16 others. I would like to take advantage of this opportunity
17 to dispel the idea that publishing is a mechanical act;
18 I think it is a creative act in which a great many other
19 responsibilities are involved, notably, editorials and
20 planning. I would be glad to develop that point if you
21 wish.

22 COMMISSIONER JOHNSTON: I just want to know if
23 there is any tax advantage over the commercial printer?

24 MR. JEANNERET: We have no net profits to
25 tax to begin with.

26 COMMISSIONER JOHNSTON: I am talking about
27 municipal taxes?

28 MR. JEANNERET: From a municipal tax stand-
29 point, if one wanted to relate a municipal tax to what
30 we spend in subsidising, of course, we put ourselves at



1 a disadvantage. It is hard to know how to balance these
2 things.

3 COMMISSIONER JOHNSTON: The commercial printer
4 on Adelaide Street pays a municipal property tax and
5 pays a municipal business tax, and perhaps he is compe-
6 ting with you. Do you pay such taxes?

7 MR. JEANNERET: We are not normally competing
8 with him as a printer, but we are giving him business
9 at the rate which is mentioned in this brief.

10 COMMISSIONER JOHNSTON: But haven't you
11 actually a printing establishment?

12 MR. JEANNERET: We have, indeed, but beyond
13 this we have not enlarged and we purchase some \$300,000-
14 worth of printing services outside each year.

15 THE CHAIRMAN: Do you do general job printing?

16 MR. JEANNERET: Normally not, no; we haven't a
17 commission salesman or the facilities.

18 THE CHAIRMAN: You are restricted to these
19 scholarly journals?

20 MR. JEANNERET: University printing and certain
21 specialised types of printing.

22 THE CHAIRMAN: Are you patterned after the
23 Oxford University Press?

24 MR. JEANNERET: You could draw many parallels
25 between the two companies.

26 THE CHAIRMAN: Do you employ union labour?

27 MR. JEANNERET: Yes, entirely in the case of
28 the composing room.

29 THE CHAIRMAN: Do you have any questions, Mr.
30



1 Beaubien?

2
3 COMMISSIONER BEAUBIEN: Do you operate at a
4 loss?

5 MR. JEANNERET: We operate on a break-even
6 basis. We return any net income to the subsidising of
7 other publications; this is the principle on which we
8 operate.

9 THE CHAIRMAN: Do you print the Canadian Bar
10 Review, by the way?

11 MR. JEANNERET: No we don't, Mr. Chairman; it
12 is done commercially.

13 THE CHAIRMAN: Did you say that the Canadian
14 Historical Review had actually limited subscribers?

15 MR. JEANNERET: We cited the total library
16 circulation of the Canadian Historical Review, and we
17 gave the total circulation here as 676 individuals in
18 Canada, 325 libraries in Canada and about 386 are in the
19 United States; it is a little over a 1,000.

20 THE CHAIRMAN: One-third of your subscribers
21 are in the United States of the Canadian Historical
22 Journal?

23 MR. JEANNERET: Almost exactly, Mr. Chairman.

24 COMMISSIONER JOHNSTON: Does that include the
25 one I get?

26 MR. JEANNERET: Yes, that includes that.

27 THE CHAIRMAN: Good gracious. Don't the
28 university students taking history use it or read it?

29 MR. JEANNERET: It is not primarily textbook
30 material, Mr. Chairman.



1
2 THE CHAIRMAN: I know, but surely there is
3 something outside of textbooks if you are studying
4 history?

5 MR. JEANNERET: Well, we use every means we
6 can to intimidate them!

7 THE CHAIRMAN: This suggests that it is not
8 easy to sell a scholarly magazine in competition with
9 Marie Claire, for example?

10 MR. JEANNERET: You can do so by popularising
11 it, and that is a thing you must resist.

12 THE CHAIRMAN: Thank you very much, sir, for
13 a very helpful presentation. It is perhaps not all
14 within our terms of reference, but there is something in
15 it.

16 We will adjourn now until 2.30 this afternoon.

17
18 --- Luncheon adjournment.
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1
2 ---On resuming at 2:30 p.m.

3
4 SUBMISSION OF
5 SECCOMBE HOUSE TORONTO

6 APPEARANCES:

7 MR. WILLIAM WALLACE SECCOMBE

8
9 MR. SECCOMBE: Mr. Chairman and members of
10 the Commission, I am William Wallace Seccombe, and
11 I am President of the Associated companies at Seccombe
12 House, a magazine publishing house in Toronto. With
13 me today are: Keith K. Knox, Vice-President of the
14 associated companies at Seccombe House and Sales
15 Director; William R. Feasby, M.D., Director of
16 Professional Publications at Seccombe House, Editor
17 of Modern Medicine of Canada, Applied Therapeutics,
18 and the Canadian Medical Directory; Patrick B.
19 Lyndon, Editorial Director, Seccombe House.

20 Our publishing company was incorporated
21 as Current Publications Limited in 1930. We are,
22 therefore, in our 30th year of continuous operation.

23 Our head offices are in Toronto, and a
24 branch office is in Montreal. We publish 9 professional
25 and business magazines, 2 directories and 3 catalogues,
26 and employ a total of 110 people in both cities. We
27 may, therefore, be described as a medium-sized multiple
28 publishing house.

29 We do not operate a printing plant. All our
30 publications are printed by various commercial printers



1
2 in the Toronto area.

3 In preamble I would like to thank the Royal
4 Commission on Publications for its invitation to us
5 to make a submission on this important matter of the
6 periodical press in Canada today. We have gladly
7 accepted this invitation and we hope that our submission
8 may serve as some assistance to you in your deliberations.

9 We are members of the Business Newspapers
10 Association, and thus of the Periodical Press Associa-
11 tion. However, our statement may differ from the
12 majority of submissions being presented here insofar
13 as we do not aim to advance any specific "brief" or
14 to rebut the contentions of others. Instead, we
15 would like to enunciate the principles on which our House
16 bases its publishing activities. We would like to
17 demonstrate how we try to practise these principles.
18 And, with your permission, we draw certain conclusions.
19 We advance these conclusions not as specific recommen-
20 dations but in the hope that, as evidence of the
21 "publishing philosophy" held by a not untypical medium-
22 sized multiple house, they may be of some value to
23 this Commission.

24 P R I N C I P L E S

25 We believe that competition is essential
26 to the well being of the periodical publishing business.

27 Generally speaking, our own most successful
28 periodicals operate in fields where there is heavy
29 competition, and our least successful operate where
30 there is little or none. There are a variety of reasons



1
2 for this: the existence of competition stimulates one's
3 own efforts; the innovations of a competitor urge
4 one to devise new ideas and new methods to combat
5 them; the work of a competitor (both in editorial
6 performance and advertising solicitation) serves to
7 enhance the value of magazines per se among the
8 readers and advertisers in the field. In addition, of
9 course, the absence of competition in any field
10 suggests that the field itself is not a profitable
11 one; and the presence of competition indicates that
12 it is.

13 Certainly the existence of competition has
14 stimulated our own House to devise new publishing
15 methods which would never have been born without that
16 spur.

17 One of these innovations is in our circulation
18 methods. Circulation is, as is well known, one of
19 the most potentially wasteful factors in publishing.
20 This is particularly true in the business paper
21 field where uncontrolled or poorly controlled circula-
22 tion is wastefule for the publisher, for the reader
23 (receiving publications he does not need, or not re-
24 ceiving publications he does) and to the advertiser
25 (since advertising rates are generally keyed to the
26 number of readers, not the quality of readers). It
27 can also fritter away the basic "concept" of magazines
28 (especially in the business paper field) for promiscuous,
29 uncontrolled circulation can bring magazines themselves
30 into disrepute, and indeed contributes nothing to



1
2 publisher, reader or advertiser.

3 Without any substantial financial resources
4 and faced with the heavy competition that exists in
5 Canadian periodical publishing, our House has been
6 impelled into devising some special way of controlling
7 the waste-factor in circulation. In 1948, we, therefore,
8 established a separate division called Canadian Mailings
9 Limited. Its purpose is to purify the circulation of
10 all our magazines (in fact, to eliminate the qualitative
11 waste); and to secure revenue by selling the results
12 of this purification in the form of an addressing
13 service for direct mail advertisers (in fact, to
14 eliminate the economic waste).

15 This device, born from competition, has also
16 strengthened us against competition. One case in
17 point is our periodical "Applied Therapeutics" which
18 we started in January 1960. This publication is a
19 scientific medical journal with an entirely new
20 editorial concept. The unique circulation we have
21 been able to devise for it (through the resources both
22 creative and economic of Canadian Mailings Limited)
23 is one of the chief reasons for its success. And
24 this success has been achieved, even though "Applied
25 Therapeutics" has been in direct competition, from
26 its very first issue, with the Canadian edition of
27 an affluent United States magazine in the medical
28 field. This edition ("MD of Canada") and our publica-
29 tion, "Applied Therapeutics", both started publishing
30 in January, 1960. Both are published monthly. Both



1
2 are circulated to Canadian physicians. Indeed, it is
3 not only our "competition-born" device for controlling
4 circulation wastage, but in a very real sense it is
5 the entrance of "MD of Canada" itself into this
6 field which has contributed to the success of
7 "Applied Therapeutics" and which, indeed, promises
8 greater success for the coming year.

9 In Exhibit A we have a copy of "Applied
10 Therapeutics" and one copy of "MD of Canada". We have
11 had three extra exhibits made up, Mr. Chairman,
12 and if any one of the Commissioners would like to
13 examine these copies as we go along, they are available.

14 Exactly the same may be said of our newest
15 publication, the "Canadian Food Journal". This
16 magazine will start in January, 1961. It is entering
17 a field in which there is direct and heavy competition
18 from two long-established periodicals belonging to
19 two Canadian multiple publishing houses, as well as
20 from a variety of other Canadian publications. The
21 field is also one into which there is a considerable
22 overflow of United States magazines. Our special
23 circulation methods, which give the "Canadian Food
24 Journal" a unique circulation in this field, unmatched
25 and we would venture to say unmatched by any other
26 publication (certainly not by a foreign periodical),
27 indicates that its future will be successful. Moreover,
28 we believe that the very existence of competition in
29 this field actively contributes to the success which
30 we believe will attend the "Canadian Food Journal".

I would like to enter Exhibit B which contains
announcements for the "Canadian Food Journal."



1
2 The existence of heavy and untrammelled
3 competition within the Canadian periodical press has
4 also had what we feel to be a propitious effect on our
5 operations. We have been obliged to concentrate
6 our efforts within the fields in which we publish, and
7 thus avoid the tempting but dangerous practice of
8 "spreading ourselves over the map". This has led us
9 into publishing more than one magazine or by offering
10 ancillary services in the same field. Such fields are
11 the medical and dental professions, for whom we
12 publish 3 different journals, 1 hospital bulletin and
13 2 directories; the book trade, for whom we publish
14 3 publications; the office management field, for
15 which we publish one monthly periodical, and also a
16 stationery catalogue; and the gift trade, for which
17 we publish "Gift Buyer", and also operate the National
18 Gift Shows. We believe, therefore, that the intensive
19 competition which exists within the Canadian periodical
20 press has had favourable consequences for our own
21 publishing policy, and thus, we believe, for the
22 professions, businesses, and trades which we serve.

23 Indeed, one of our magazines already mentioned,
24 the "Canadian Food Journal", is a case in point. Up
25 to this month we have published the "Journal of the
26 Canadian Dietetic Association" on behalf of the Associa-
27 tion for a number of years. Our experience with this
28 Journal, and the necessary concentration of effort with
29 which we have had to operate, helped us to devise a
30 new kind of publication of our own which we felt would



1
2 serve the institutional food field more intensively.
3 This was the "Canadian Food Journal". The Canadian
4 Dietetic Association, in agreement, has decided to
5 suspend its own publication and has concluded an
6 arrangement with our House whereby all the members of the
7 Association will be able to receive the "Canadian
8 Food Journal" in lieu.

9 TO SUMMARIZE: We believe that the heavy
10 competition we have faced and do face, both from
11 within the Canadian periodical press and from without,
12 has had and continues to have favourable consequences
13 for our House. Thus, we have strong commercial
14 reasons for believing that any infringement on free
15 competition between periodicals would damage both
16 the periodical press and the services it offers to
17 its readers.

18 We believe that service to readers is the
19 primary function of publishing.

20 We consider that any consideration of
21 periodical publishing that does not put the principal
22 emphasis on the needs of Canadian readers is misguided.

23 In mentioning some of the following ways in
24 which our own House tries to apply this principle to
25 its operations I do not, I think, speak for our
26 House alone.

27 So long as a publishing house is generally
28 operating profitably, it is sometimes obligatory to
29 publish one periodical (or more, depending on the
30 solvency of the House) at a loss. This does not apply



1
2 only to Canada; we believe it to be true of every
3 free periodical press. This obligation is imposed if
4 the periodical in question performs a useful service
5 for readers which is not matched, or likely to be
6 matched, by any other publications. In our own House
7 we publish such a magazine. It is called "Quill and
8 Quire" and it is the only magazine of the Canadian
9 book trade. We have published it for many years at a
10 loss. Its potential advertising market is so limited,
11 and the advertising budgets of book publishers are
12 so meagre, that we anticipate it will continue to lose
13 money. Nevertheless, we have never seriously considered
14 giving it up, simply because it is the only magazine to
15 serve the book trade. We believe that its dissolution
16 would be a loss to the cultural growth of our country,
17 and also we feel that in continuing to publish it
18 we are, in some small way, repaying the debt which
19 we, as publishers, owe the public. We are, in
20 fact (and I stress that there are other publishers in
21 Canada who do just as much, if not more than we, in
22 this respect) trying to make some recompense to the
23 Canadian public for the gift they extend to us and
24 to all publishers, and without which we would not
25 exist: the freedom of the press.

26 Exhibit C contains copies of Quill and
27 Quire, Canadian Book List and Accumulative Book
28 Catalogue.

29 In 1953, we were asked by many members of
30 the medical profession to publish a Directory of



1
2 the Canadian medical profession. Because there is a
3 30-40% "change" in the profession every year, a
4 regular Directory was obviously needed. For the same
5 reasons, it was clearly going to be a complex and
6 costly undertaking. However, because of our interests
7 in the health field, we agreed to publish it annually,
8 and we continue to do so. It has never been a success
9 financially but we believe it makes a marked contri-
10 bution to the medical profession in this country. In
11 answer to other requests, we have also started
12 publishing ancillary medical directories.

13 Exhibit D is a copy of the Canadian Medical
14 Directory.

15 Neither the "Canadian Medical Directory",
16 nor "Quill and Quire" make money. There are other
17 publications in our House which make only small
18 profits, and which we publish for the same reasons.
19 We publish them because they meet a need. We make no
20 money or little money from these publications because
21 the money isn't there. Or maybe, on the other hand,
22 because our publishing methods may be unsuccessful
23 in attracting enough of what money is there. It
24 might be suggested (and indeed it has been suggested
25 to us) that inequitable competition is the reason for
26 the financial depletion of some of these publications.
27 For example, the overflow circulation into Canada of
28 "Publishers' Weekly", the magazine of the United
29 States book trade, could be represented as being the
30 reason for Quill and Quire's financial losses. However,



1 this suggestion is untrue. It is poppycock; and
2 we would be ashamed to give it any consideration.
3

4 At the end of World War II, among our publica-
5 tions was a dental journal called "Oral Health". Our
6 publishing of "Oral Health" gave us connection not
7 only with the dental profession but with the medical
8 profession as well. We were told that the extraordinary
9 progress in medicine since 1939 and the rate of progress
10 forecast for the future, made it imperative that
11 Canadian doctors should have a journal to keep them
12 abreast regularly and quickly with all the significant
13 developments in medicine, not only from Canadian medical
14 centres, but from all other good medical centres
15 everywhere. It would be superfluous to describe the
16 many discussions that followed, with members of the
17 profession and with medical editors; or the intensive
18 examination of other medical journals, in Canada
19 and in many other countries. Finally, however, our
20 surveys showed us that there was a publication in
21 the United States (and it was the only one anywhere)
22 which performed the functions we were told were
23 essential for the Canadian medical profession at this
24 time. This journal was, and is, called "Modern
25 Medicine". My brother, N. M. Seccombe, now Chairman
26 of the Board of the associated companies at Seccombe
27 House, and I, had two alternatives. Either to
28 attempt to establish a parallel publication in Canada,
29 or to make some arrangement with the United States
30 publication. It was immediately clear that the size
of the Canadian market (both potential readers and



1
2 advertisers) made it impossible to originate a publica-
3 tion in Canada, depending on the Canadian market, which
4 would be able to chart every worthwhile development in
5 international medicine and present it capably to the
6 medical profession in Canada. On the other hand,
7 like most Canadians, we were not desirous of acting
8 a satellite role to a foreign organization. We did
9 not think it would be an advantage for our House or
10 for our readers. We, therefore, proposed, and concluded
11 an arrangement with the publisher of "Modern Medicine"
12 in the United States whereby we would publish, in
13 equal partnership, a Canadian version of "Modern
14 Medicine", which we would control and manage, 50% of
15 which we would own, and the contents of which would
16 be chosen by Canadian editors. In passing, I would
17 say their acceptance of this arrangement was a credit
18 to the vision of the United States publishers.

19 I I do not know of any other enterprise in
20 Canada in any industry, service, or other field in which
21 the Canadian "edition" of a United States concern is
22 managed, controlled, and 50% of which is owned, by
23 the Canadian component. However, this was the arrange-
24 ment we were able to make. Thus, for the past 15
25 years, we have been able to provide every doctor in
26 Canada with a monthly journal which presents current
27 information of every significant development in medical
28 science from all over the world. Under our circulation
29 policy, we give this journal to every doctor in Canada
30 (20,200) free of charge.



1
2 Thus, a need was stated to us in 1946. We
3 were able to devise a way of meeting this need, of
4 retaining Canadian control over it, and of placing
5 the editorial control in the hands of Canadian physicians.

6 In fact, the Editorial Board of "Modern Medicine of
7 Canada" is comprised of 45 of the most distinguished
8 members of the Canadian medical profession. There is
9 no question that the profession at large respects and
10 values the work of these editors, and we have been
11 assured by literally hundreds of doctors that "Modern
12 Medicine of Canada" exerts a profound influence for
13 good on Canadian medical practice and hence on the
14 health of the nation.

15 Exhibit E contains a copy of "Modern Medicine
16 of Canada" with the latest readership.

17 In exactly the same way, in 1954 we learned
18 that a need existed in Canadian business for a magazine
19 which would present information on all current
20 developments, both Canadian and international, in the
21 field of office management, methods, and procedures.

22 Thus, a precisely analogous arrangement with the
23 equivalent purpose was made with the publisher of
24 "The Office", a periodical in the United States. For
25 the past six years, we have published "The Canadian
26 Office" which we control and manage, 50% of which
27 we own, and the contents of which are chosen by our
28 editors.

29 Exhibit F is a copy of "The Canadian Office"
30 with the two competitive publications published in Canada.



PM/hm

1
2 Incidentally, neither "Modern Medicine of Canada"
3 nor "The Canadian Office" was affected by the 20% tax on
4 advertising revenues imposed by the previous government.
5 "Modern Medicine of Canada", because of its contribution
6 to the nation's health, was exempted by reason of its
7 being a medical journal. "The Canadian Office" was not
8 affected because it published 75%, and more, "Canadian"
9 content.

10 In the early 1950's, it was clear from the re-
11 quests we received that the medical professions in other
12 countries would find a local edition of "Modern Medicine"
13 as valuable as Canadian physicians have found "Modern
14 Medicine of Canada". By virtue of our arrangement with
15 the publishers of "Modern Medicine" in the United States,
16 the Canadian component had secured rights to start, manage,
17 and own 50% of any other versions of "Modern Medicine" in
18 the British Commonwealth.

19 Consequently, in response to the needs which had
20 been expressed to us we started "Modern Medicine of Great
21 Britain", and "Modern Medicine of Australia". Both these
22 publications have been warmly welcomed by their respective
23 professions. The editorial control of each publication
24 is in the hands of editors practising locally - in Great
25 Britain by 32 British physicians, and in Australia by 30
26 Australian physicians, all of whom are eminent figures in
27 the medical professions of their country and fully aware
28 of their own national medical problems,

29 - Exhibit G contains copies of Modern Medicine of
30 Great Britain and Modern Medicine
of Australia.



1
2 Furthermore, every edition of "Modern Medicine"
3 has the rights to all the editorial content originated by
4 any other edition so that the readers of "Modern Medicine
5 of Great Britain", for example, are presented with material
6 which may have been originally selected by Canadian or
7 Australian or United States editors as well as by British
8 editors. Thus, all editions of "Modern Medicine" are local,
9 and international, at the same time. And we believe this
10 policy contributes to the progress of medicine everywhere.
11 Naturally, the physicians are glad to cooperate, since it
12 gives their ideas much wider circulation than is possible
13 in any other way.

14 In response to requests from other countries,
15 both on this continent, and overseas, we also envisage
16 foreign expansion for other of our publications.

17 The needs of our readers have also led us into
18 a unique kind of bilingual publishing. In 1958 the number
19 of doctors in Canada preferring to do their reading in
20 French had risen to 3,900. And so, to meet their require-
21 ments we decided to publish bilingually. In January 1959,
22 we "divided" "Modern Medicine of Canada" (which had been
23 published for 13 years in English) into two separate
24 editions: one in English for English-speaking doctors,
25 one in French for French-speaking doctors. English and
26 French editions are, of course, no novelty. The difference
27 in this case is that the editions are identical in every
28 way (contents, appearance, size, procedure) except language.

29 I would like to enter exhibit H, a copy of
30 Modern Medicine of Canada and Medicine Moderne du Canada



1 and letters from French-speaking doctors; there are 816
2 letters.

3 The reaction of French-speaking readers has
4 been very gratifying, principally because they are assured
5 of the same magazine as their English-speaking counterparts
6 (other bilingual magazines either offer English and French
7 interleaved, or an essentially different, and smaller,
8 edition for French-speaking readers).

9 TO SUMMARIZE: We believe that any periodical
10 publisher, in any country, just as any book publisher, in
11 any country, is obliged to consider the needs of the pub-
12 lic paramount; furthermore, these needs are not to be
13 subordinated to strictly commercial considerations so long
14 as the general financial conditions of the publisher are
15 unjeopardized. For this reason, we believe that in any
16 consideration of the Canadian periodical press, the needs
17 of the Canadian public should be given the primary and
18 major consideration.

19 We believe that the free flow of communication
20 is essential to the Canadian periodical press and to the
21 Canadian public.

22 This conclusion is corollary to our second
23 principle. The needs of the readers (and in the study
24 with which this Commission is now engaged, these are the
25 needs of the Canadian public) are of primary significance.
26 To hinder the free flow of communication, whether it is
27 within our borders or across them, is to violate the
28 freedom of the press - and this means to violate the
29 rights of our citizens.

30 The doctrine of the freedom of the press is
surely not designed to protect publishers; its purpose is
to protect the rights of the public. If an attempt is
made to restrict a certain sector of the press in opera-
ting its publications, damage to the publishers concerned



1
2 is of secondary importance. What is of primary concern
3 is that an attempt is being made to penalize what is a
4 sovereign right of the public - the free flow of communi-
5 cation.

6 We are thus in warm agreement with the Prime
7 Minister's recommendation that any measures to aid the
8 Canadian periodical press be "consistent with the mainten-
9 ance of the freedom of the press" and we would oppose any
10 brief presented before this Commission which advocates any
11 measures, however helpful they may appear to be for our-
12 selves as Canadian periodical publishers, which would, or
13 would tend to, abridge, impair, hinder or prevent the
14 free flow of communication to our citizens. We oppose
15 such advocacy on principle; we also oppose it insofar as
16 it strikes at the basic precepts on which the activities
17 of our House are based. Were we not prepared to demon-
18 strate our belief in the value of a free flow of communica-
19 tion, not only to our citizens, but to the citizens of
20 other countries as well, it is extremely doubtful that we
21 would be publishing at least half of the publications
22 which have been named in this submission.

23 The three principles which I have enunciated
24 comprise the "publishing philosophy" of the House which
25 I have the privilege of representing here.

26 i) We believe that free competition is essential
27 to the well-being of the periodical publi-
28 shing business.

29 ii) We believe that service to readers is the
30 primary function of publishing.



111) We believe that the free flow of communication is essential to the Canadian periodical press and to the Canadian public.

I hope I have shown that we try to adhere to these principles not only in theory but in the practice of our business. However, I would not want to leave the impression that this adherence has made our House into a non-profit institution. While it is true that we do carry certain publications at a loss (and we will try to continue to do so unless some other body starts to perform the same or an equivalent service in the fields in which they operate), nevertheless I believe our House has not been unsuccessful. In the past 8 years, we have increased our volume of business 3-1/2 fold, from \$345,800 in 1952 to an estimated \$1,296,600 in 1960. I might say these figures do not include our operations in Britain and Australia. And in the same period our number of employees has risen from 42 to 110. (Since we do not print our publications, the total employment provided by our operations is therefore substantially greater than this figure indicates).

So, it is not only on philosophical grounds but on economic ones that we believe the principles on which we operated are worthy ones. And we would earnestly hope that any measures which can be devised to aid the Canadian periodical press may be consonant with them.

CONCLUSION: Within the framework of these principles, we would, therefore, beg to advance the following conclusions for the consideration of this

Commission:

Believing that competition is essential to the well-being of the periodical publishing business, our conclusions are as follows:

While we believe that the Canadian periodical press is, generally speaking, economically and culturally healthy; that the economic growth of many periodical publishers has been, and is, satisfactory; and that the present editorial quality of the periodical press as a whole is of a high order, we can understand the feeling of apprehension which exists in the Canadian periodical press.

We do not, however, believe that the threat to the industry's future comes from foreign publications. Indeed, there is only one section of the periodical press which is exposed to any extent to foreign competition. While we do not belong to that section, our own experience with foreign competition in the professional periodical field (described in paragraph 2e) would suggest that foreign competition, and powerful foreign competition, can be contained and indeed, like any competition, has salutary consequences. Furthermore, to quote from the brief submitted for the Government of Ontario to the Royal Commission on the Automotive Industry, October, 1960: "Canada and Canadians will be strong only by exposing themselves to competition from abroad."

What we feel may constitute a threat to the Canadian periodical press as a whole (including the business and professional press as well as general magazines)



1
2 is the erosion of free competition by the tendency to
3 aggrandizement within the periodical press in Canada.

4 We believe that the continuous encroachment being made
5 within the Canadian periodical press, and the monopolistic
6 trend which this represents, poses a formidable threat to
7 the periodical publishing, economically and culturally.
8 This trend indicates an uncertain future for the majority
9 of small or medium-sized publishing houses in Canada.
10 Consequently, we would hope that any measures taken to
11 assist the periodical press do not encourage the big to
12 become bigger and thus, the small to become smaller or
13 disappear.

14 However, just as we would oppose special restric-
15 tions on foreign publications, so we would oppose restric-
16 tions on powerful domestic publishers. We believe special
17 restrictions are contradictory to good periodical pub-
18 lishing and we cannot endorse them unless, and until, their
19 object is to dissolve monopoly.

20 Believing that service to readers is the primary
21 function of publishing, our conclusions are as follows:

22 While we believe that it is an obligation for
23 any periodical publisher in any country to provide services
24 for the public, even at a loss, if necessary (so long as
25 his general financial resources are not seriously im-
26 paired) we believe that this obligation can only be under-
27 taken by multiple houses. A single-periodical publisher
28 cannot balance such losses.

29 We also feel that the relatively few multiple
30 publishing houses in Canada should not, indeed cannot, be



1
2 expected to provide all those cultural or otherwise
3 worthy services which the Canadian public require but
4 which offer little financial return.

5 As a consequence of our experience with and
6 attitude towards, competition, we also believe that the
7 publication without competition in the field requires
8 greater assistance than the publication with competition.

9 Thus, we believe a good purpose would be served
10 if, in order to advance the contribution which "Canadian
11 magazines and periodicals add to the richness and variety
12 of Canadian life" and to "the culture and unity" of Canada;
13 and in order to "contribute to the further development of
14 a Canadian identity":

15 the possibility were to be examined of provi-
16 ding financial assistance to single-periodical
17 publishers in Canada who publish, or who
18 propose to publish, periodicals which perform
19 a cultural or other worthy service for the
20 Canadian public, and to which service there is
21 no competition from any other Canadian period-
22 ical.

23
24 Believing that the free flow of communication
25 is essential to the Canadian periodical press and to the
26 Canadian public, our conclusions are as follows:

27 We believe that the presence of foreign publi-
28 cations in Canada is not to be deplored. We believe that
29 the Canadian public at large considers that good foreign
30 publications perform a valuable and often irreplaceable
service for Canadians.



1
2 This is not to say that publications, doing
3 business in Canada, should not be "good corporate citizens".
4 We believe, for example, that all publications, foreign
5 or domestic, should contribute equitably to their carriage
6 through the Canadian mails.

7 However, we oppose, and we believe the Canadian
8 people would oppose, special legislation designed to dis-
9 criminate against certain publications on the basis of
10 their nationality.

11 The "20% tax", for example, was an iniquitous
12 and notably ineffective piece of purely discriminatory
13 legislation. (Our views on it are attached as Appendix
14 "A"). We do not consider that this tax, or any other
15 measure with equivalent purpose, can have any good effect
16 on the Canadian periodical press, the growth of Canadian
17 culture, or the protection of the Canadian identity.

18 We believe that discrimination itself is
19 anathema to the principles of periodical publishing, and
20 that to invoke discrimination in the name of Canadian
21 culture or the Canadian identity is unworthy of that
22 culture and identity.

23 Consequently, we hope that in any measures
24 which the Commission may recommend for the amelioration
25 of the periodical press, no purely discriminatory penalties
26 will be levied against any section of the press, domestic
27 or foreign, which serves our citizens. Respectfully
28 submitted.
29
30

A P P E N D I X

Statement made, at the invitation of The Business Newspapers Association, before the Annual Meeting of the Business Newspapers Association, May 9, 1958, by W. W. Seccombe, President of the Associated Companies at Seccombe House, Toronto.

Mr. Chairman and Gentlemen:

As we all know, the special magazine tax was introduced by the late Liberal Government after a considerable amount of pressure from this association.

On the occasion of the submission of the last P. P. A. brief to the new Minister of Finance, we took the opportunity to write the secretary of the association that our house was unsympathetic to the tax and that we wished to dissociate ourselves from the brief, and the Minister of Finance was sent a copy of this letter.

This magazine tax has been in effect now for some time and we have an opportunity to see what it has accomplished. Initially (it is generally agreed) the tax forced two or three American magazines to cease publication here. As everybody knows, these were "Parents' Magazine" and what are known as the "grocery books". However, I understood that this association was not aiming at magazines like "Parents' Magazine" but rather mainly two magazines had been singled out for special treatment; namely, "Time" and "Reader's Digest". It was argued that these magazines enjoyed special privileges, and were selling advertising which rightly belong to Canadian publishers. In our house we have never subscribed to this thesis, nor have we ever felt that "Time" or "Reader's Digest" competed unfairly with us, or with other trade and business paper publishers.

What has happened? 1957 was the first year in which the tax was imposed. "Time" and "Reader's Digest", as was expected, simply raised their advertising rates to cover some of the tax. "Time" publicly stated that their advertising rates would be raised 10% specifically for the tax and that the revenue from this increase would go straight to the Dominion Treasury. It is perhaps safe to assume that the amount of the tax passed along to advertisers by "Reader's Digest" was roughly the same. This meant that Canadian advertisers were paying about half the tax, and indeed, Canadian advertisers paid approximately half a million dollars of this tax last year. That money was either passed directly to the Government as in "Time's" case or held in a special account as in the case of "Reader's Digest". Thus half a million dollars was removed from the advertising funds of this country and was lost to our industry. Where did advertisers find this half a million dollars tax money? Advertising revenues for seven Canadian consumer publications dropped by

more than \$350,000 in that year. Now even if this \$350,000 came out of Canadian consumer magazines to pay the tax, it still leaves \$150,000 unaccounted for. Where did that come from? We think that the \$150,000 came straight out of the advertising budgets for the business newspapers of this country.

Now what is happening in 1958? According to the latest figures for the first quarter of this year, eight Canadian consumer magazines have already dropped 14.2% in lineage compared with the same period last year. The president of the B. N. A. has forecast a drop for business papers, too.

While we believe it was an unworthy objective, the tax was designed to hamper "Reader's Digest" and "Time". Now far from hampering these two magazines, all the tax has done has been to divert advertising out of Canadian magazines, and it is not serving its purpose.

Apart from its support of the tax, we do not subscribe to the underlying principles of the P. P. A. brief, which urged a discriminatory piece of legislation. The brief states: "We can see no more certain way for one country completely to indoctrinate another than to take over its national press". This, of course, assumes that there was danger of our press being taken over, and that the Canadian people are unable to distinguish between what is native and what is foreign. Frankly, we just do not believe that this is so. We suggest that, as publishers, we have secured the confidence of the Canadian public by producing better and better Canadian magazines, and we will continue to enjoy this confidence as long as we do this, and we do not believe that our future or that of the Canadian people is endangered by foreign magazines. In fact, we think that it is good for the Canadian publishing business to have this type of competition and that we should have no fear of it. If we think back to before this tax - in fact, when there was free competition with any foreign magazines that wanted to come here - the total advertising revenue of ten Canadian consumer magazines more than doubled in ten years. This rate of increase exceeded the growth in the national economy, and exceeded the rate of increase in our gross national product. We think our industry showed healthy growth under conditions of free competition.

Our house is opposed to this tax because:

1. The cardinal need of the press - Periodical, Agricultural, Business or the daily press - is freedom. And that means freedom from tariff, impost, special tax, just as much as from censorship, vested interests, and pressure groups. A special tax is bad because it is discriminatory. A special tax is dangerous because it rebounds. Furthermore, this one has put Canada into the same international boat as cities like Baltimore, Maryland.

2. Even if this special tax were retained and enlarged, and all the measures in the P. P. A. brief were adopted - even if the government were to ban foreign periodicals - what would it mean for Canadian publishers? We think it would slow down Canadian development and do harm to our industry.
3. We believe that this discriminatory tax is apt to interfere with international goodwill, provoke retaliatory measures and is inconsistent with good neighbour relations.

Finally, we believe that our Canadian tax structures should not be thrown out of balance by special taxes on special lines of commercial or professional endeavour. That our tax laws should be used only for the public good - not as penal instruments.

We believe there is much good in magazines like "Time" and "Reader's Digest" and we have no fear of them as competitors. We believe competition is good. We think the Canadian people are in no danger from them. We think that this restrictive legislation has accomplished no purpose except to take dollars out of the general advertising pot and so deprive many Canadian magazines of advertising that they would otherwise get. We think the tax ill-advised, discriminatory, provocative and unsound.

Toronto
8 May, 1958



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THE CHAIRMAN: Thank you very much. Mr. Seccombe, I just want to ask one or two questions. I was astonished to see that you printed two or three magazines without any profit and some with a loss. Tell me about your catalogues and directories, what happens there?

MR. SECCOMBE: Well, the one directory that we submitted here --

THE CHAIRMAN: Are these City Directories or Town Directories?

THE SECCOMBE: The Canadian Medical Directory is the directory --

THE CHAIRMAN: Directories of the profession?

MR. SECCOMBE: Complete profession in Canada.

THE CHAIRMAN: Are these profitable?

MR. SECCOMBE: That is not profitable, no, we lose money on the publication.

THE CHAIRMAN: What about your catalogues, what are they?

MR. SECCOMBE: Well, we have a book catalogue called the cumulative book catalogue that contains no advertising and it is published at a loss. This is the only complete catalogue of books published in Canada and we do that as a service to the book industry.

THE CHAIRMAN: What do you publish at a profit?

MR. SECCOMBE: Well, our other publications that we put out, most of our other publications are published at a profit.



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2

THE CHAIRMAN: What are they?

3

MR. SECCOMBE: Modern Medicine of Canada.

4

5

THE CHAIRMAN: This is the one you have a 50% partnership in?

6

MR. SECCOMBE: Yes, that is right.

7

8

THE CHAIRMAN: How does an arrangement like that work, a 50-50 percentage, who determines what happens?

9

10

11

12

13

14

15

MR. SECCOMBE: Our Canadian Editorial Board made up of eminent Canadian physicians determines what goes into that book. Doctor Feasby is the editor of Modern Medicine of Canada and he and his board determine what goes in. It is agreed that nothing will be published in the journal which would be offensive in any way to the American end of the partnership.

16

17

18

19

20

THE CHAIRMAN: Well, if it happened that you began making reasonably heavy losses on your Canadian end what do your partners do or say? Have they any say in the matter? Do you have joint meetings of these boards?

21

22

23

MR. SECCOMBE: Periodically.

24

25

26

THE CHAIRMAN: Who represents the American shareholders on your board, for instance, or are they represented at all?

27

28

29

30

MR. SECCOMBE: This is not a corporate body. It is a partnership between my brother and me and four Americans who own Modern Medicine in the United States.

THE CHAIRMAN: Do they exercise any supervision over your operation in Canada?

MR. SECCOMBE: Virtually no supervision. We have



1
2 joint meetings to discuss mutual problems.

3 THE CHAIRMAN: Well, your losses on the magazines
4 that you do lose on, are they heavy? Otherwise you would
5 have to have a very substantial profit on the profitable
6 end of your publishing.

7 MR. SECCOMBE: I would not say they are heavy.

8 THE CHAIRMAN: They are not heavy?

9 MR. SECCOMBE: I would not say they are heavy.

10 THE CHAIRMAN: Now, what do you mean when you
11 say in your recommendations that you would not agree to
12 any censorship of any kind or any interference with the
13 free flow of ideas or publications? What exactly did you
14 mean by that? Do you mean there should be no steps taken
15 by the Government of Canada to protect Canadian publications
16 from what you might say would be very unfair competition?
17 You make a distinction, I hope, between good rugged com-
18 petition and unfair competition. That would be, for
19 instance, the distinction you would make between imports
20 and dumping; you would make a distinction there? I mean,
21 supposing you are an industrialist and you are turning out
22 a particular commodity and you have very strong competition
23 from the United States but it is fair competition. Their
24 goods, at least, which they are shipping in to compete
25 with you are goods made at a reasonable cost and not sent
26 into this country at a lower cost than in the country of
27 origin. Now, if you found that the United States people
28 because of some surplus that they had on hand which they
29 could not dispose of at home started dumping on your market;
30



1
2 you were producing the same class of goods, would you say
3 that that was the sort of competition you would support?

4 MR. SECCOMBE: No, I believe in our brief we
5 mentioned we feel that these publishers should be good --

6 THE CHAIRMAN: You would not believe in the sort
7 of competition -- well now, if it can be shown that Canadian
8 publications, let us say the consumer magazines, are
9 suffering in principle from the sort of competition I have
10 described, dumping let us say, then would you still say
11 nothing should be done?



1
2 MR. SECCOMBE: Well, I think this will be a
3 very difficult solution to arrive at, and I must say
4 that I don't have any delusions about it.

5 THE CHAIRMAN: But you would agree with me,
6 I am sure, that the thing shouldn't be just left there,
7 and if we don't notice it that it might go away. Suppos-
8 ing you do feel, and I know you feel - you have expressed
9 yourself very well all through here - and you say you
10 don't think this danger exists. However, supposing you
11 were convinced that it did exist; suppose that a set of
12 facts were placed before you which convinced you that the
13 danger did exist to our Canadian periodical press, would
14 you still say that nothing should be done?

15 MR. SECCOMBE: We believe in the free inter-
16 change of ideas.

17 THE CHAIRMAN: Certainly, we all believe in
18 that sort of thing, but let me put this to you; what
19 about free exchange or interchange of ideas within your
20 own country? If a situation arose which destroyed our
21 periodical press, then how about the free flow of ideas
22 for which you rightly show concern? Surely the first
23 place to protect freedom is at home; the first place to
24 protect the flow of ideas is at home. Well now, are you
25 not at all concerned with a situation arising which
26 would prevent the free flow of ideas and communication
27 right here in Canada?

28 MR. SECCOMBE: I would be very much concerned
29 about that.

30 THE CHAIRMAN: So, you wouldn't be unwilling



1 then, if it can be shown you that this free flow of
2 ideas in Canada was, in fact, in danger, you wouldn't be
3 beyond saying something should be done about it?

4 MR. SECCOMBE: If the free flow of ideas in
5 Canada was in danger I would be very much concerned
6 about that, sir, yes.

7 THE CHAIRMAN: And so you would think some
8 extraordinary measure would have to be taken in that
9 case, even though that measure violated your principles
10 which you hold about press freedom?

11 MR. SECCOMBE: Yes, I would be sorry if it
12 interfered with the free flow of ideas within our
13 boundaries.

14 THE CHAIRMAN: We have had some very good
15 people come before us and say, "For Heaven's sake, what-
16 ever you do don't interfere with press freedom." I am
17 not sure that we are quite clear what that consists of,
18 but when you put it to them and state, "All right, can
19 you contemplate a situation in Canada which would see
20 the entire disappearance of the Canadian periodical press?
21 Personally, I can't see that." And they would say, "No".

22 One of the best journalists we have in this
23 country, and a very independently-minded fellow, said
24 that that would be a calamity; I don't think it would
25 be that at all myself, I think it would be very distur-
26 bing and very bad. Another said that it would be a disas-
27 ter, and again I think those are pretty strong words, but
28 it would be bad and I think that you would be the first
29 to admit it, you would say this is a bad situation for
30 Canada and you would say that we at least ought to have



1 one bit of geography here which we can call our own and
2 in which we can exchange our own ideas, in which there
3 would be a free flow of what we call a free flow of ideas.
4

5 Now, sir, if this seemed to you to be in danger
6 of disappearance, I am sure, then, you would agree that
7 something ought to be done about it even if you would
8 disagree with this being done under ordinary circum-
9 stances?

10 MR. SECCOMBE: Yes sir, I agree with that.

11 THE CHAIRMAN: Thank you very much, sir.

12 COMMISSIONER JOHNSTON: This medical journal
13 that you distribute to members in Canada, the 20,200
14 copies free of charge, does it carry a volume of adver-
15 tising?

16 MR. SECCOMBE: Yes.

17 COMMISSIONER JOHNSTON: And that is a profitable
18 publication?

19 MR. SECCOMBE: Yes, it is.

20 COMMISSIONER JOHNSTON: Would you file with
21 the Secretary a statement of your profit and loss and
22 balance sheet for the last year?

23 MR. SECCOMBE: I don't wish to evade this
24 question; we will supply you with any information you
25 want or require. However, the nature of our agreement
26 is such that the Canadian part of the partnership contri-
27 butes certain services without charge to the joint enter-
28 prise, and the American side of the partnership provides
29 certain services without charge to the joint enterprise,
30 so that I am afraid if we presented our balance sheet



1
2 that it would be meaningless unless you were able to
3 place the contribution to each side of the partnership.
4 However, we would be glad to present whatever figures you
5 would want.

6 COMMISSIONER JOHNSTON: Well, I got the
7 impression from your brief that you are losing money on
8 everything, and yet you look pretty well-dressed and well-
9 fed. How do you explain it?

10 MR. SECCOMBE: Well, I think I indicated that
11 our business has grown very substantially over the past
12 8 years, and we are certainly not starving, and our
13 brief was intended to convey the opposite impression; we
14 are not doing too badly at all.

15 COMMISSIONER JOHNSTON: Convey what impression?

16 MR. SECCOMBE: The opposite impression. We are
17 not really starving and we are not doing too badly at all.

18 COMMISSIONER JOHNSTON: Were you here this
19 morning when Mr. Irwin discussed books and our situation
20 with regard to the United States?

21 MR. SECCOMBE: Yes.

22 COMMISSIONER JOHNSTON: I am coming around to
23 the conclusion that in Canada every other country comes
24 first and Canada last; the low man on the totem pole.
25 Do you agree with that, from your impression?

26 MR. SECCOMBE: No sir, I don't agree.

27 COMMISSIONER JOHNSTON: Well, it is a bad day
28 when I can't find somebody to disagree with me. Thank
29 you very much.

30 COMMISSIONER BEAUBIEN: You devote one or two



1 paragraphs to this innovation which you call your circu-
2 lation method, and you have this Canadian Mailings
3 Limited, and I would like you to report on that. You
4 seem to stress the fact that it has been one of the
5 secrets of your success.
6

7 MR. SECCOMBE: I think that the circulation
8 of periodicals in Canada is directing those publications
9 into the hands of the people who need and want them,
10 which is one of the chief functions of the business paper
11 or professional paper publisher.

12 In order underwrite the cost of research
13 involved in order to do this, we formed a branch of our
14 business, the Canadian Mailings Limited, through which
15 we sell direct mail - the mechanical part of the direct
16 mail distribution and the direct mail advertising through
17 the Canadian Mailings Limited, for which we charge a fee,
18 and this revenue from that company underwrites the research
19 which is required to develop our circulation in our publi-
20 shing company.

21 COMMISSIONER BEAUBIEN: Canadian Mailings
22 Limited is a mailing list, in other words, or a numbered
23 mailing list?

24 MR. SECCOMBE: It is a numbering mailing list;
25 many of which would be the circulation lists either in
26 whole or in part of the publication which we publish.

27 COMMISSIONER BEAUBIEN: And is this the profi-
28 table end of your organisation?

29 MR. SECCOMBE: That is the profitable end of
30 our organisation.



1
2 COMMISSIONER JOHNSTON: The profitable end?

3 MR. SECCOMBE: A profitable end.

4 COMMISSIONER JOHNSTON: Could anybody buy
5 that list?

6 MR. SECCOMBE: No, we don't sell the list;
7 we simply address it.

8 COMMISSIONER JOHNSTON: If I wanted to send
9 circulars to doctors, could I use your facilities for a
10 proper fee?

11 MR. SECCOMBE: Yes, you could.

12 COMMISSIONER JOHNSTON: Excuse me, Mr. Beau-
13 bien.

14 COMMISSIONER BEAUBIEN: You have Modern Medicine
15 as one of your magazines; what is the circulation?

16 MR. SECCOMBE: 20,200.

17 COMMISSIONER BEAUBIEN: 20,000, and you have
18 an office magazine?

19 MR. SECCOMBE: Yes.

20 COMMISSIONER BEAUBIEN: What would be the cir-
21 culation of that?

22 MR. SECCOMBE: That is 11,000.

23 COMMISSIONER BEAUBIEN: Are these your two
24 big sellers?

25 MR. SECCOMBE: I would say that Modern Medicine
26 carries more advertising than any other publication we
27 publish.

28 COMMISSIONER BEAUBIEN: Do you distribute
29 these magazines freely, or is it on a subscription basis?

30 MR. SECCOMBE: All of our publications are



1
2 distributed on a controlled basis. We have some subscrip-
3 tions, but they are usually distributed without subscrip-
4 tion on this controlled basis.

5 COMMISSIONER BEAUBIEN: That means that most of
6 your circulation would be free of charge?

7 MR. SECCOMBE: Yes.

8 COMMISSIONER BEAUBIEN: And you get a great
9 part of your revenue from advertising?

10 MR. SECCOMBE: Almost our entire revenue.

11 COMMISSIONER BEAUBIEN: Is from advertising?

12 MR. SECCOMBE: Yes.

13 COMMISSIONER BEAUBIEN: You mentioned the
14 Canadian Food Journal. You will come up with this in
15 1961?

16 MR. SECCOMBE: 1960, January of 1960.

17 COMMISSIONER BEAUBIEN: You have "1961" here.

18 MR. SECCOMBE: Oh, it is 1961, I am sorry.

19 COMMISSIONER BEAUBIEN: Do you expect any
20 competition? I imagine you do. Is there an American
21 publication of the same similar type to the Canadian
22 Food Journal?

23 MR. SECCOMBE: There are two publications in
24 Canada already being published in much the same way.

25 COMMISSIONER BEAUBIEN: From American origin?

26 MR. SECCOMBE: No, of Canadian origin.

27 COMMISSIONER BEAUBIEN: Is there an American
28 overflow?

29 MR. SECCOMBE: There is an American overflow,
30 yes.



1 COMMISSIONER BEAUBIEN: In this field?

2 MR. SECCOMBE: Yes.

3 COMMISSIONER BEAUBIEN: What would be the
4 circulation in Canada in this magazine from the American
5 source?

6 MR. SECCOMBE: Would you like to see this?

7 COMMISSIONER BEAUBIEN: This Food Service Maga-
8 zine, is that the only magazine you would be in competi-
9 tion with?

10 MR. SECCOMBE: Yes, insofar as some of the
11 material - the type of material that would be published
12 in the Canadian Food Journal would be quite similar to
13 what would be published in the Food Service.

14 COMMISSIONER BEAUBIEN: You have a number
15 in brackets (774); what is that?

16 MR. SECCOMBE: Those figures represent the
17 overflow circulation in Canada; that is the United States
18 overflow into Canada.

19 COMMISSIONER BEAUBIEN: That is not a very large
20 circulation, is it?

21 MR. SECCOMBE: No.

22 COMMISSIONER BEAUBIEN: Who would you distri-
23 bute the Canadian Food Journal to?

24 MR. SECCOMBE: The Canadian Food Journal will
25 be distributed to institutions that are feeding people in
26 large numbers.

27 COMMISSIONER BEAUBIEN: Hotels, institutions?

28 MR. SECCOMBE: To hotels that were serving
29 meals in large numbers, yes; to restaurants, to hospitals,
30



1 to religious institutions; wherever food would be served
2 in large quantity.

3 THE CHAIRMAN: Thank you very much, sir.

4
5 SUBMISSION OF MRS. TRENT FRAYNE

6 Appearance: Mrs. Trent Frayne

7
8 THE CHAIRMAN: Mrs. Frayne, will you identify
9 yourself for the record?

10 MRS. FRAYNE: Mrs. Trent Frayne. I feel that
11 I have just one thing to say to you, and it is because
12 this is a narrow area when you are talking about periodicals.
13

14 THE CHAIRMAN: Could you speak up a bit, please?

15 MRS. FRAYNE: The field is narrow. I am a
16 magazine writer in the field of what we call general
17 interest, and my husband has been a writer for 20 years
18 and I have been one for 15 years, writing for magazines,
19 and I have noticed in this time that the profession gets
20 much more difficult all the time. It gets difficult for
21 the people in it; it is not because we are getting older,
22 but it is getting very heavy.

23 It used to be that specialists wrote general
24 interest articles, medical people wrote medical articles
25 and soldiers wrote articles about the war. There were
26 other articles written with varying degrees of accuracy,
27 and in the 20 years that I have been working the magazines
28 have been trying to put together the very best, and there
29 is a great amount of research, great accuracy and a certain
30 clarity of writing to make it as easy as possible.



1
2 I heard someone say that there were five
3 national magazines of this type. Now, I have seen quite
4 a few of them go, but as far as some of the professionals
5 are concerned, there are only three that pay comfortable
6 rates so that you can economically survive while doing a
7 long piece of research and writing to the best of your
8 ability, which sometimes takes several weeks. These are
9 Chatelaine, Macleans and the Star Weekly. I include the
10 Star Weekly as a magazine, because that is how I find it.

11 THE CHAIRMAN: You don't include the Weekend
12 Magazine?

13 MRS. FRAYNE: No, it doesn't pay very well.

14 THE CHAIRMAN: It doesn't pay very well. That
15 is interesting.

16 MRS. FRAYNE: Well, what I am trying to say is
17 that with all of this high demand for quality and so few
18 outlets, that it seems to us there is no place to learn
19 the business any more. You spoke earlier of the quality
20 of the magazines which you saw go since the thirties,
21 and you suggested that they didn't perhaps, deserve to
22 survive, but all beginnings are feeble and are not very
23 promising, and the beginnings of writers are very often
24 this way.
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1
2 There is no place for a magazine writer to be trained.
3 This is becoming an art form which I think is terribly
4 important to a country in the state of evolution
5 that ours is. It is the only way we can learn about
6 our country -- well, one of the ways -- and that is
7 through a length and depth magazine article, and
8 we are not training young people. Everybody is my
9 age or older. Rarely is there a young person coming
10 along, because there is not a magazine they can
11 teethe on. They have to start at the deep end. This
12 is a tragedy because you are not going to have writers
13 who can manage this difficult thing in a few years.
14 I can't predict how long, but it is going to wear
15 itself out if we don't have somewhere for them to
16 start. I notice it most when some woman who has been
17 writing in her kitchen for awhile, as I do, sends
18 me something and says, "Where can I send it?" I
19 have to tell her to send it to Maclean's or Chatelaine
20 -- highly professional polished magazines when she
21 is not ready for that. Where else could she send it?
22 She is going to be rejected, and there is going to
23 be no place. I know from experience and my husband's
24 experience she is not going to be able to place a
25 Canadian article about Canada in an American magazine.
26 There is great resistance in the magazines, even
27 those with Canadian supplements -- or whatever
28 euphonism they use -- there is suspicion that it is
29 not important enough and it will not measure up and
30 their readers will be bored by it, and that it is



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2 shoddy. You write defensively when you write about
3 Canada, unless you are writing about the north or
4 the mounties or hockey. There does seem to be a limited
5 interest in us. So, unless you want to take whatever
6 skill you have attained and live in the States and
7 research there -- and I am not speaking now as to
8 fiction, where I understand another lady was quite
9 forceful ---

10 THE CHAIRMAN: You are not speaking of
11 fiction?

12 MRS. FRAYNE: No, I don't know anything
13 about fiction. Unless you go to the States and research
14 there an article about the states, it is very difficult
15 to sell a Canadian article. If you don't want to
16 move, then you are limited to these, as I say, three
17 Canadian magazines, and you keep hearing gossip in
18 the press clubs that one or another of them is shaky
19 and it makes you feel terribly precarious when there
20 are so few.

21 THE CHAIRMAN: Has it ever been much different
22 from this?

23 MRS. FRAYNE: There used to be more. I
24 certainly learnt the business in a magazine that
25 was not so polished and so particular maybe. Magazines
26 seemed to be easier then. There were some, and it
27 was a long while before I could write for Maclean's
28 or Chatelaine, and there were magazines which would
29 take beginning efforts. Every now and again Chatelaine
30 or Maclean's or the Star Weekly, comes across someone.



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The Star Weekly is very proud of a 82 year old lady they have discovered on the prairies, but this is a rare Bonanza for both of them. Normally you must work, as on a newspaper -- work on an out of town newspaper, a small one.

7

8

THE CHAIRMAN: There always have been rejection slips.

9

MRS. FRAYNE: Yes, and always will be.

10

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THE CHAIRMAN: I have had lots of them myself. You write as June Callwood?

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MRS. FRAYNE: Yes.

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THE CHAIRMAN: What about C.B.C.? Haven't they provided an opening for script writers?

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MRS. FRAYNE: That is the field of documentaries; that would pertain for someone like myself or my husband, and I know he has done one documentary for them, but it is another art form or skill and you don't translate that easily. This is the thing we do; we have done it for years, and you can't manage economically on only magazine writing in this country. I don't know anyone who could; not because of the rates, which we find very fair, but because of the bare periods which occur quite unexpectedly with magazines; that is, you are not producing something they can buy -- maybe not for this one or next one, and so there is no income for awhile.

28

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COMMISSIONER JOHNSTON: Have you ever had a magazine editor talk to you and try to guide you?

30

MRS. FRAYNE: Constantly. It is a running



1
2 school of journalism all the time, but you have to
3 start in on a very high step nowadays. I don't think
4 I could learn this business nowadays. I was so
5 lucky to start when I did.

6 THE CHAIRMAN: But you are a pro; you have
7 no trouble selling your stuff now?

8 MRS. FRAYNE: No.

9 THE CHAIRMAN: You are speaking of the young
10 writer?

11 MRS. FRAYNE: I just don't like pulling
12 up the ladder.

13 THE CHAIRMAN: Surely, they have to learn
14 the business, and this is a trial.

15 MRS. FRAYNE: There is no place.

16 THE CHAIRMAN: We had a witness last week --
17 take Hugh MacLennan: he told us he nearly starved
18 to death for years and years, and he sold 26,000 copies
19 of his last book in the United States and more than
20 that in Canada. This is a hard struggle.

21 MRS. FRAYNE: Oh yes, and I think everyone
22 is prepared for it, but not to have no market, which
23 is the case; there is no market.

24 THE CHAIRMAN: Do you mean to tell me if
25 a young writer tomorrow turned out something really
26 very good, somebody with talent -- and if they haven't
27 talent they have no business in this profession at
28 all -- and send it in to Mr. Blair Fraser, that Mr.
29 Blair Fraser would not give it a great deal of
30 consideration?



1
2 MRS. FRAYNE: Oh yes, if it was very good;
3 he would be delighted. But, what are the odds on
4 that?

5 THE CHAIRMAN: I would hate to invest money
6 in a magazine which was just publishing bad stuff.
7 You have got to expect that these people who invest
8 thousands of dollars -- if I looked at all the poems
9 on my desk, we have more poets in Ottawa than in
10 any other city in the world.

11 MRS. FRAYNE: No, no; Vancouver is worst.

12 THE CHAIRMAN: I know what would happen to
13 the poor old Ottawa Journal if we ran them all. I
14 don't think you have established a case, to tell the
15 honest truth.

16 MRS. FRAYNE: Well, I think there ought to
17 be varying degrees of magazines with varying standards
18 of writing and varying audiences, and there doesn't
19 seem to be that.

20 THE CHAIRMAN: Would you like to read into
21 the record for us your Brief?

22 MRS. FRAYNE: As a Canadian magazine writer,
23 on a free lance basis, I am deeply concerned with the
24 progress of the hearings before the Royal Commission
25 on Publications. At the present time, only three
26 magazines in Canada are able to pay a high enough fee
27 to enable a free lance writer to survive economically.
28 These are: Maclean's Chatelaine and the Star Weekly.
29 Most free lance writers also find it advisable to
30 juggle a number of side-lines, commissions from



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2 advertising agencies, intermittent public relations
3 work, etc., in order to backstop a financially perilous
4 profession. My husband, for instance, is also a
5 free lance writer who specializes in articles about
6 sports; he therefore has a choice of only two Canadian
7 magazines, since Chatelaine is rarely interested in a
8 sports subject.

9 As relatively experienced magazine writers,
10 we are established well enough to manage with such
11 a lean choice, but the market situation for emerging
12 writers is grave. With so few publications to choose
13 from, younger writers often find themselves unable to
14 place a story at all. If fewer than a half dozen Canadian
15 editors disapprove of the subject matter or the style
16 of writing, the writer is pinched off. A considerable
17 amount of talented young people who might have
18 developed into important reporters of the Canadian
19 scene is lost, permanently, because there isn't a
20 sufficient variety of outlets.

21 The fascination that United States magazines
22 are expressing in Canadian affairs is so much wordy
23 vapor. Canadian magazine writers who attempt to
24 interest these magazines in a Canadian subject are
25 advised that there is "no interest here", that "the
26 subject is too thin for us". They express great
27 anxiety to publish Canadian articles, but except for
28 stories about tundra and mink farms there is only
29 rejection. Any aspect of the development of Canadian
30 culture, including medical discoveries which are



1
2 recognized all over the world as being extraordinary,
3 bores United States magazines to tears. The ones
4 which have been inserting "Canadian sections" purchase
5 a smattering of Canadian-written articles at the lowest,
6 most insulting rate. Some of them send United States
7 writers on these assignments. TIME magazine, for
8 instance, is rarely staffed in Canadian cities by a
9 Canadian. Canadian "stringers", who supply material
10 for TIME, are poorly paid.

11 On behalf of Canadian free-lancers, I most
12 respectfully hope the Commission will be able to
13 recommend measures that will support and protect
14 Canadian magazines.

15 THE CHAIRMAN: What is that, you said about
16 Canadian stringers for TIME being poorly paid.

17 MRS. FRAYNE: My definition of "stringer"
18 is not the person in the office.

19 THE CHAIRMAN: I know what he is.

20 MRS. FRAYNE: Maybe my definition is
21 wrong: it is the person who does the leg work and
22 brings it in. My husband did this and he had to
23 stop; it was really quite poorly paid.

24 COMMISSIONER BEAUBIEN: Would you say
25 relatively that the climate in the United States is
26 better than it is in Canada for young writers?

27 MRS. FRAYNE: I think there is ---

28 COMMISSIONER BEAUBIEN: There is a class of
29 magazine in existence there which would absorb the
30 young writers?



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MRS. FRAYNE: They have a spectrum and we
just have red.

THE CHAIRMAN: Thank you every much, Mrs.
Frayne.

---Short Recess.



SUBMISSION OF

DOMINION ELECTROHOME INDUSTRIES LIMITED

APPEARANCES:

MR. C. A. POLLOCK, President.

MR. POLLOCK: My name is Pollock and I am President of Dominion Electrohome Industries Limited, a Canadian company operated in Canada and we have submitted a brief to you, and I would appreciate the opportunity of reading it.

THE CHAIRMAN: Yes.

MR. POLLOCK: Mr. Chairman and members of the Royal Commission on Publications, Dominion Electrohome Industries Limited - an all-Canadian company managed by Canadians - has been in operation since 1907. Our major products to-day are television receivers, console radio and high fidelity reproducers, and all classes of home furniture. In addition we manufacture small electric motors, fans, humidifiers and home heaters. We employ what we believe to be the largest engineering and design staff in Canada devoted to consumer electronic products and to furniture for the home. Our designing is aimed at developing merchandise which is particularly suited for the Canadian market. Over the years we have earned a high degree of recognition as a quality house providing design leadership in all areas in which we operate.

We have read the Brief of the Canadian Manufacturers' Association submitted to the Royal Commission



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2 on Publications and agree with and support the ideas
3 contained therein. The purpose of this brief is to
4 draw the specific attention of the Royal Commission to
5 some of the handicaps under which an all-Canadian
6 company works in competition with large U.S. organizations
7 which import directly into Canada or which operate
8 with Canadian subsidiaries. Traditionally, the
9 appliance, television and high fidelity business is
10 supported by heavy advertising and promotion budgets.
11 U.S. companies have been able to win tremendous
12 advantages in terms of name identification and product
13 acceptance due to heavy overflow advertising from
14 U.S. publications circulating in Canada. To illustrate
15 only two media in which heavy overflow advertising
16 in our field is noted, we cite LIFE magazine with
17 a circulation in Canada of 314,977, and THE SATURDAY
18 EVENING POST with 228,000. Largely because of this
19 name and product pre-conditioning, we have seen the
20 big U.S. companies enter the Canadian market and,
21 in a relatively short time, gain acceptance of a high
22 order. This overflow, and largely "free" advertising,
23 provides an inequity as compared with a purely Canadian
24 company in several ways.

25 1. An image of the U.S. company as one
26 with highly developed engineering and a
27 powerful position in the U.S. market is very
28 impressive to a Canadian purchaser.

29 11. With such a platform in the mind of the
30 Canadian consumer, equivalent dollars spent



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2 in Canada for advertising will carry much greater
3 greater impact than the same dollars spent
4 by a purely Canadian company. In other words,
5 a Canadian subsidiary of a U.S. company spending
6 4% of its sales budget on advertising can expect
7 to achieve much greater results than a purely
8 Canadian company also spending 4% of its sales
9 budget on advertising.

10 iii. Mat service, layout advice and artistry
11 from U.S. advertising are freely available
12 to the Canadian subsidiary, reducing the
13 Canadian investment in the development costs
14 of advertising.

15 iv. The actual featuring of specific U.S.
16 models which are identical to the product
17 offered to Canadians is of great help to the
18 subsidiary of an American company.

19 Perhaps it would be helpful to cite a specific example
20 of an aggressive U.S. company coming into Canada on
21 the coat tails of its U.S. advertising to obtain command-
22 ing recognition in a very short period of time.

23 Admiral came into Canada soon after the last war, having
24 already obtained strong name identification through
25 very successful U.S. advertising in U.S. publications
26 with heavy overflow circulations in Canada. On this
27 basis, they were able to gain very rapid penetration
28 of the Canadian market. It should be understood that
29 heavy additional budgets for Canadian advertising
30 were used to back up their program.



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2 We have attached examples of advertising
3 run in the aforementioned publications to illustrate
4 what we have in mind. Note the reference to Canadian
5 market at the bottom of each ad.

6 In common with many other Canadians who have
7 appeared before the Royal Commission on Publications,
8 it is the opinion of our directors and officers and,
9 we are confident, many of our employees, that a truly
10 Canadian magazine press edited by Canadians for
11 Canadians is essential to the future of Canada. We
12 sincerely believe that, in these times of unsettled
13 international relations, it is not a high Canadian
14 standard of living which will bring about the fulfillment
15 of Canada's destiny but rather a high standard of
16 Canadians' living together with themselves and with
17 others. For Canadians to know themselves, a truly
18 trans-Canada Canadian periodical press is essential.
19 Also, to live effectively with others, Canadians must
20 know themselves.

21 In making our submission we felt we should
22 not make any statements as to suggestions that might
23 provide the solution of the problem. We felt in our
24 position as a Canadian manufacturer we should express
25 to you our thinking with regard to this particular
26 problem, and if you have any questions I will try to
27 answer them.

28 Also, I would like to make a short statement
29 of my own, personally, which ties in with this matter,
30 which may offer a solution, but it would be a personal



1
2 one rather than from the company.

3 COMMISSIONER JOHNSTON: You say you have a
4 solution?

5 MR. POLLOCK: No, sir; just a suggestion.

6 COMMISSIONER JOHNSTON: I think I agree
7 with every word you have got here, Mr. Pollock. You
8 were not here yesterday?

9 MR. POLLOCK: No, sir.

10 COMMISSIONER JOHNSTON: So, you didn't hear
11 the discussion from the President of the Canadian
12 Advertising Agency Association about overflow advertising?

13 MR. POLLOCK: No, sir.

14 COMMISSIONER JOHNSTON: He seemed to say,
15 and I haven't checked the record, but if my memory
16 is good, he said the overflow advertising of United
17 States magazines into Canada was of little consequence:
18 do you think it is of big consequence?

19 MR. POLLOCK: I am afraid we can't agree
20 with that. We are a purely Canadian company and, as
21 stated in our brief, we find that the advertising
22 that comes across our southern border in the form of
23 magazines and radio and television certainly is some-
24 thing for us to compete with. We can't possibly
25 match such extra advertising in the work we do.

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PM/hm 1

2 COMMISSIONER JOHNSTON: Have you any idea of
3 whether Canadian subsidiaries of these companies are
4 charged with all or part of the cost of advertising, over-
5 flow advertising?

6 MR. POLLOCK: I really do not know what charges
7 are made. I do know that the subsidiaries do make payments
8 to their American parents but the exact area of service
9 that is covered I am afraid I do not know.

10 COMMISSIONER JOHNSTON: As a business adminis-
11 trator you would assume, would you, that the Canadian
12 subsidiary would be charged with a fair share of adminis-
13 tration and other costs?

14 MR. POLLOCK: Yes, I would think so.

15 COMMISSIONER JOHNSTON: That would be a fair
16 assumption?

17 MR. POLLOCK: Yes, I would think so, particu-
18 larly in the area of the development of products, perhaps
19 development of advertising.

20 COMMISSIONER JOHNSTON: Research?

21 MR. POLLOCK: Sales assistance.

22 COMMISSIONER JOHNSTON: Research?

23 MR. POLLOCK: And research, yes sir.

24 COMMISSIONER JOHNSTON: You have to do your
25 own engineering?

26 MR. POLLOCK: We do all our own engineering. We
27 have an association with an American company that is right
28 in the television and hi-fi field which started in 1928.
29 At that time we paid the company 7-1/2% of our selling
30



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2 price as a fee for engineering services. We are associated
3 with that same company today for the purpose of keeping an
4 ear to the ground as to what goes on in the United States
5 and we pay that same company less than one-tenth of one
6 percent. We do all our own designing. In the case of
7 furniture we do use some American designs but we use a
8 number of freelance Canadian designs. In the field of
9 small appliances and our television and hi-fi we do all
10 that ourselves.

11 THE CHAIRMAN: Do you turn out a T.V. set of
12 your own?

13 MR. POLLOCK: Yes.

14 THE CHAIRMAN: So this ad in the Saturday
15 Evening Post and also in Life for combined circulation
16 would compete with you?

17 MR. POLLOCK: Would directly compete with us,
18 yes sir.

19 COMMISSIONER JOHNSTON: And yet your products
20 have a good name otherwise you would not sell them at all.

21 MR. POLLOCK: Well, we have been working rather
22 hard at that objective for some time. We, of course, do
23 a good deal of advertising and our advertising is done --
24 I should not say all our advertising as we do advertise
25 in Time, but by and large we advertise in Canadian magazines
26 by way of policy. We try to be creative in the programming
27 of our advertising, the themes that we carry out, the art-
28 work we do. We have been advertising regularly in Maclean's
29 and Canadian Homes and Mayfair before it was discontinued;
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1
2 Western Homes, Saturday Night. We do advertise in the
3 weekly magazine Perspectives, Star Weekly, la Presse and
4 also Canadian Art, Canadian High News which was mentioned
5 before today and the Canadian Doctrine, thinking of our
6 humidifiers that we make and office equipment. Today we
7 are considering some smaller publications such as Canadian
8 Industry and Canadian Geographic Journal and the Canadian
9 Advocate.

10 THE CHAIRMAN: What about the newspapers, do
11 you not try them at all?

12 MR. POLLOCK: A fair percentage of our budget
13 is handled that way.

14 THE CHAIRMAN: And you use T.V., do you?

15 MR. POLLOCK: We do not use T.V. as much as I
16 would like to use it. I happen to be connected with the
17 local television station in Kitchener and I wish I could
18 get our advertising changed to do a little more in that
19 field.

20 COMMISSIONER JOHNSTON: Do you have to persuade
21 your agency or do you run it?

22 MR. POLLOCK: I do not have a direct relationship
23 with the advertising agency. There are times when we
24 go contrary to their suggestions. I know in some of them,
25 particularly in the smaller magazines where the circula-
26 tion is not up to the standard that advertising agencies
27 think we should employ we perhaps go contrary to what they
28 have in mind. But, by and large we try to do a job of
29 advertising in Canada.
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COMMISSIONER JOHNSTON: Did you go into Time because it is a good selling medium or because you are forced by your competition to do it?

MR. POLLOCK: We feel that Time provides a very good medium to reach the intermediate market, the intermediate sales bracket of markets.

COMMISSIONER JOHNSTON: If there was no other company in your line advertising in Time would you go in?

MR. POLLOCK: I really could not say, I have not been close enough to the advertising end of our business to answer the question. I would like to say one thing on behalf of the Canadian publications and that is that we have certainly found their assistance most generous, their work with us has been excellent. I would like to commend the Chatelaine people for the home exhibits they have set up. We are in the furniture business and we treat our radio and television and hi-fi sets as pieces of furniture just as well as the others. The service rendered by Chatelaine has done a wonderfully good job in setting up homes in various parts of the country and we have participated in it. It is a very broad service that I think they have rendered that would not perhaps be rendered if it was to be done by some organization from beyond our borders.

COMMISSIONER BEAUBIEN: Are sales increasing, generally speaking, sales on television sets?

MR. POLLOCK: The television market at the present time is getting close to saturation. The sales this year have been down quite sharply. The replacement



1
2 market in television has not developed as yet and coloured
3 television has not developed to the extent we hope that it
4 will develop within the next few years. I am afraid that
5 I prophesied that coloured television would come in in 1957
6 but that was well in advance of what transpired.

7 COMMISSIONER BEAUBIEN: Are you getting organized
8 to sell coloured television?

9 MR. POLLOCK: We will be offering coloured
10 television sets in the market this year, not our own
11 manufacture.

12 THE CHAIRMAN: You do a fearful lot of adver-
13 tising, do you not?

14 MR. POLLOCK: No, we do not do as much as we
15 would like to. We do an amount that we feel puts us in a
16 reasonably good competitive position. I think Canadian
17 manufacturers by and large have other things that they
18 must look at. We are looking at our dealer relations and
19 very carefully developing dealer loyalty. We are looking
20 at the quality of our product, we feel that the advertising
21 that goes across the back fence from Mrs. Jones to Mrs.
22 Smith is something that is only earned and cannot be
23 bought and is a very valuable part of a company's repu-
24 tation. We do work on our corporate image through public
25 relations and activities of that sort but we would like to
26 do more advertising. However, I am afraid we just can not
27 afford it. We do originate all our own advertising with
28 the agency and the magazines that work with us.

29 THE CHAIRMAN: Is your company an absolutely
30



1
2 purely Canadian company? Have you any connection with
3 any British company?

4 MR. POLLOCK: No, we have associations with
5 some English companies and some American companies but it
6 is a wholly owned Canadian company. Two years ago at our
7 annual meeting I was very surprised to receive a card from
8 a shareholder in the United States. There are perhaps
9 100 or 150 shares held in the United States but it is
10 certainly a Canadian company.

11 THE CHAIRMAN: Well, thank you very much.

12 MR. POLLOCK: May I make one short statement
13 further?

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2 THE CHAIRMAN: Yes, certainly.

3 MR. POLLOCK: The statement I would like to
4 make is something I have made personally on a number of
5 occasions from the platform and has to do with the crea-
6 tive areas of activity in Canada. I think we are all
7 agreed that Canada is a most fortunate country, perhaps
8 the most fortunate country in the world. On the other
9 hand, Canadians are perhaps in some ways the most unfor-
10 tunate people in the world because of our generous
11 neighbour to the south of us who for 50 years has been
12 too good to us. We are like the boy, the adolescent who
13 has grown up under very indulgent parents and those
14 parents have been making decisions for that boy for many
15 years. We find it a little difficult to make decisions
16 of our own later on, we are hard-pressed. We have been
17 able to beg, borrow or buy the creative work in the
18 United States or in the U.K. much too readily, so readily
19 that as far as we Canadians are concerned we are not
20 doing as much as we should ourselves in laying a founda-
21 tion for a growing industry in this country. I believe
22 the figures are right that we put one half of one per
23 cent of our gross national product in research in actual
24 dollars expended; $2\frac{1}{2}$ per cent is expended in the United
25 States and we hope to match that. However, we are a long
26 way behind. As well, much of the research done in Canada
27 is done in universities and by government. Of course,
28 that applies to the United States too but we do relatively
29 little in business.

30 I think as Canadians because of our relations



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2 with the United States we forget that we are a different
3 people and in many respects have different tastes. We
4 sometimes forget that we have a much smaller population
5 and our manufacturing must be carried on in a somewhat
6 different manner and in many ways we are required to do
7 things differently. I think that we forget too that to
8 grow in experience and to grow culturally we have to do
9 more of this sort of work ourselves. It has got to be
10 more of a do-it-ourselves programme than it has been.
11 In working through the pattern of an idea it certainly
12 has a very salutary effect for people.

13 We find when men in our engineering department
14 come up with some new ideas they pat their chest and say
15 "See what we have produced". This has a very salutary
16 effect and it is a stimulating thing to have.

17 To that thought I would like to add one other
18 concept. Industry by and large in commerce and business
19 has to have incentive stimulating to development of busi-
20 ness activities. Industry, of course, has gained a
21 great deal of value from that and made a number of social
22 contributions because of it. I feel you members of the
23 Royal Commission would likely agree with me when I say
24 that if the Government is to provide a more valuable
25 environment for the growth of Canadian industry that
26 some form of incentive would be a good thing as far as
27 growing Canadian industry is concerned. I am talking now
28 of Canadian industry, not about subsidiaries. Now, the
29 very competitive conditions which we have today I think
30 we can - the Government could perhaps look to stimulants



1 in the field of tax reductions.

2 I would like to propose an idea which is one
3 that I have suggested on a number of occasions to the
4 Canadian Manufacturers Association and other bodies as
5 applicable to our industries and that is that we should
6 do more reserach work, more creative work in our industry.
7 That should be stimulated on the basis of deductions,
8 extra deductions for the application of the profits tax.
9 It seems to me that the public business is perhaps a more
10 creative thing than the type of business in which we
11 happen to be operating and I would like to make two
12 suggestions of incentive procedures that might perhaps
13 be of some little value.

14 THE CHAIRMAN: Will you kindly summarise them
15 because we have one more submission to hear.

16 MR. POLLOCK: Yes. I suggest that the Govern-
17 ment allow an extra tax deduction from profits before tax,
18 an extra deduction for profits before taxes for special
19 creative work performed by Canadians for a Canadian
20 company publishing a recognised magazine in Canada with
21 distribution largely within our borders. Naturally, the
22 area of the creative work would have to be very carefully
23 delineated. My suggestion is that if the company has
24 \$10,000 it be allowed to take an extra \$5,000 in the
25 case of advertising, that they be allowed an extra deduc-
26 tion before taxes for Canadian creative advertising that
27 is placed with Canadian magazines by companies resident
28 and operating in Canada serving the Canadian people.
29 This is incentive, not subsidy. The work must be done
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2 before the advantage can be taken of it. There is a
3 precedent in this way that the Government today is
4 allowing a small business a lower tax rate up to
5 \$25,000 of profits. We, of course, have the baby bonus
6 and in my opinion the creative baby of industry should
7 perhaps be stimulated too.

8 THE CHAIRMAN: I think you should be in
9 Parliament and take part in the next budget debate.
10 Thank you very much.

SUBMISSION TO THE
ROYAL COMMISSION ON PUBLICATIONS

MR. H.C. CAMPBELL:

Mr. Chairman and Members of the Commission:

1. The Toronto Public Library Board has asked me to appear before you in order to speak in support of the brief presented by the Canadian Library Association at the meeting of the Commission in Montreal. In addition, I should like to take the opportunity of drawing to your attention a number of additional matters which concern the Toronto Public Library in its work in Toronto.
2. For many years the Toronto Public Library has striven to develop the widest access to all forms of publications to be used by the citizens of Toronto for reading purposes, for continuing education, for enjoyment and pleasure. During 1960 the Toronto Public Library will circulate over 4,500,000 books and periodicals to over 300,000 regular library borrowers and readers using its libraries.
3. In 1960 the Library will spend over \$250,000 on the purchase of new books and periodicals. Approximately \$9,000 will be spent on current periodical subscriptions. The Library at present has 429 subscriptions to Canadian periodicals and 1,013 subscriptions to periodicals from countries outside of Canada. You will recognise from these figures that the Library subscribes to Canadian publications to a greater extent than the normal circulation proportion between the Canadian and foreign periodicals in the country as a whole. In making its selection of periodicals for use in libraries, the Toronto Public Library is guided by the basic consideration of what interests its readers and users. In this regard I think it is significant that the Library Board has found a high interest among readers and users in Canadian periodical publications, and, within the limits of the purchasing budget of the Board, first attention is given to securing adequate Canadian coverage of periodical information where possible.
4. Over 95% of the funds spent by the Board on books and periodicals each year is spent on purchases from Canadian book and

periodical publishers and distributors. The Library is in agreement with observations made by other persons appearing before this Commission, who have pointed out the close relationship between periodical publishing and regular book and trade publishing in Canada. The Toronto Public Library Board believes that Canadian publishers deserve the widest support possible, since they are the main source of information and reading material that most accurately reflects the interests and tastes of Canadian readers.

5. From the above you will see that in this brief the Toronto Public Library is representing the point of view of a user of periodical and other publications, and is thus primarily concerned about the contents of the publications which are available to it. However, the Board is also a producer of a Canadian periodical index, since by this means it can secure greater utilization of the contents of Canadian periodical publications to which it subscribes.

6. In 1959 the Board began publishing and distributing the Canadian Business and Technical Index. Reference has been made to this Index in the brief of the Canadian Library Association, and a sample copy of the 1959 cumulation is here appended for the use of members of the Commission. Whereas the Canadian Library Association's Canadian Index is supported by grants from the Canada Council, the Toronto Public Library Board does not receive any such grants or assistance in the publication and printing of the Canadian Business and Technical Index. The Board is therefore concerned to secure the widest possible support for sale distribution of the Index, which is now used by 146 other libraries and institutions, 20% of these being outside of Canada.

7. From the experience of the Toronto Public Library it is clear that Canadian periodicals provide material which can not be found in any other source. It is also abundantly clear that this material is of interest not only within Canada but to countries

outside of Canada, particularly where the English and French languages are used in whole or in part. The Board would express the hope that this Commission would recommend every possible assistance to the successful extension of the image of Canada abroad through Canadian periodicals, since such distribution, along with the distribution of the accompanying indexes and guides to their contents, provides readier access to detailed knowledge of the contemporary trends and developments in Canada than any other form of published information.

8. The Toronto Public Library Board, in support of the general statement contained in the brief of the Canadian Library Association concerning the greatest possible access in Canada to books and publications from other countries, and in other languages than English and French, would like to draw attention to a study which was recently published titled Toronto Speaks, which contains an appraisal of the present situation with regard to the amount of reading done by persons of various language origins other than English in part of the City of Toronto. A copy of this study is appended for your information. The results of this survey, which covered 40% of City of Toronto households and consisted of a sample of 843 persons, of whom 509 were new Canadian immigrants, indicated that daily reading occupied a very high proportion of each person's leisure time. Thirty-one percent of the persons queried who were educated in languages other than English read general magazines in their own language, while at the same time reading the same or higher percentage in English.

9. The Toronto Public Library Board is concerned that there should be as wide access as possible to books and periodicals in all languages for Canadian readers, and trusts that the Commission's recommendations will further such an objective.

10. The Library would also like to draw attention to the fact that although it supports completely the view of the Canadian Library Association that there should be the widest freedom of entry of

periodicals from foreign countries to Canada, there should also be every possible means provided so that the viewpoints expressed in foreign publications, which are often far removed from the reality and meaning of what is going on in various countries and in Canada, should not, through the mechanism of mass marketing and distribution, be the only viewpoints that are available to the Canadian reader. Without citing specific examples, it must be obvious to the Commission that accounts of events in many parts of the world received in Canada through the periodical press are not entirely impartial or accurate. In view of the heavy readership of periodicals which the mechanism of mass marketing procedures brings about, the Canadian public do undoubtedly receive incorrect and partial statements of the actual situation which pertains outside of Canada.

11. This is a persistent problem of Canadian experience, which was recorded in Upper Canada as early as 1824, when the Colonial Advocate of William Lyon Mackenzie, though circulating in Canada, was printed for a time in the United States of America. The Canadian people and Canadian publishing industry have learned to live with this situation over the years. I am confident that your Commission will provide useful and careful recommendations to be studied by periodical users and producers alike, in order that both may deal with the present questions which face periodical publishing and distribution in Canada.



1
2 COMMISSIONER JOHNSTON: I do not believe I
3 have any question except I would like to note for the
4 record that the Colonial Advocate of William Lyon Mac-
5 Kenzie was the first example of editorial colonialism
6 in Canada.

7 THE CHAIRMAN: Thank you very much for your
8 very informative submission. We will now adjourn until
9 10,30 tomorrow morning.

10 -- Adjourment.
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ROYAL COMMISSION ON

Publications

HEARINGS

HELD AT

TORONTO

VOLUME No.:

21

DATE:

DEC 14 1960

OFFICIAL REPORTERS

ANGUS, STONEHOUSE & CO. LTD.

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TORONTO

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TORONTO, ONTARIO

ROYAL COMMISSION ON PUBLICATIONS

Proccedings of hearings held in
Simcoe Hall, University of Toronto,
in the City of Toronto, Ontario,
on the 14th day of December, 1960,
et seq. at 10.30 a.m.

COMMISSION:

M. GRATTAN O'LEARY	Chairman
J. GEORGE JOHNSTON	Member
CLAUDE P. BEAUBIEN	Member

P. MICHAEL PITFIELD	Secretary
G. H. QUINN	Administrative Officer



ANGUS, STONEHOUSE & CO. LTD.
TORONTO, ONTARIO

I N D E X

VOL.21

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JOINT SUBMISSIONS OF

MACLEAN'S MAGAZINE, CHATELAINE, and CANADIAN HOMES

APPEARANCES:

Mr Blair Fraser for Maclean's Magazine

Mrs. Doris Anderson for Chatelaine

Gerry Anglin for Canadian Homes

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THE CHAIRMAN: Mr Blair Fraser, Mrs. Doris Anderson and Mr. Gerry Anglin, please.

Mr. Fraser, will you identify yourself and your colleagues?

MR. FRASER: My name is Blair Fraser; I am editor of Maclean's Magazine. With me is Mrs. Doris Anderson, the editor of Chatelaine and Mr Gerry Anglin, the editor of Canadian Homes.

We are all prepared to make submissions, and Mrs. Anderson and Mr. Anglin have each prepared a brief of some length which they will make available to the Commission, but we don't want to use too much of the Commission's time. Their intention is to deliver orally just a brief summary at this meeting, and I have prepared some notes which I believe the Commission has before it.

THE CHAIRMAN: Mr. Fraser, supposing we proceed with you and we can see later on how things go.

MR. FRASER: All right. I would like to begin by saying although we are all prepared to answer general



1
2 questions, my prepared submission is very narrowly specific.

3 I want to place before the Commission some
4 facts and figures about the actual operations of Maclean's
5 magazine and I would like to begin, sir, with your permis-
6 sion, with a function of our magazine which has been
7 somewhat overlooked, and that is the market that Macleans
8 produces for Canadian painters.

9 In the last three years we have published 78
10 pages of full-colour reproductions of fine art, and when
11 I say fine art I am not referring to magazine illustra-
12 tions in the ordinary sense. They are mainly paintings
13 commissioned for special purposes and for special issues
14 in Quebec and British Columbia, and special article series
15 such as the Rivers of Canada series by Hugh MacLennan.
16 Although Macleans have paid \$14,000 for the work of about
17 30 painters, in most cases it is just first reproduction
18 rights. There is one exception, the paintings that we
19 bought outright as a collection from nine British Columbia
20 painters, which we then presented to the University of
21 British Columbia and they are now hanging, I believe,
22 in the University of British Columbia in Galt Hall.

23 I would like to show you a painting which is
24 not an exception; it was commissioned for our special
25 issue on Quebec and was painted by Jacques De Tonnancour
26 and it was later acquired by Maclean-Hunter Publishing
27 Company and it now hangs in the Board Room, and that is
28 one of quite a group of paintings that we commissioned
29 for that issue.
30



1
2 In connection with the commission for the
3 Rivers of Canada series, I would like to show you some
4 reprints. These remain the property of the artist, but
5 Robert Bruce painted a set of about a dozen for Hugh
6 Maclellan's article on the Red River and we used, I think,
7 seven of these on five pages. He retained possession of
8 the dozen and was able to make of them a one-man show in
9 Winnipeg just a short time ago.

10 When I spoke of 78 pages of paintings I wasn't
11 including approximately 75 covers during the same period.
12 I wouldn't contend that all Macleans covers are fine art,
13 but I would certainly contend that certainly most, if not
14 all, are the work of fine artists.

15 Franklyn Arbuckle, who is this year's president
16 of the Royal Canadian Academy, has contributed, I think,
17 92 covers and 35 or 40 other paintings to us over a period
18 of 10 years. This is one which was bought for her own
19 private enjoyment by Lois Harrison, who is a member of our
20 art department staff. She loaned it to me for today. We
21 used to have quite a lot of Arbuckle's paintings hanging
22 all over the building on a sort of indefinite loan, and
23 this turned out to show a certain lack of foresight, and
24 the Shell Oil Company bought 47 of them from Mr. Arbuckle
25 for the sum, I understand, somewhere in the neighbourhood
26 of \$10,000, so now they hang in the building next door.

27 We have, however, some other cover paintings,
28 still on this indefinite loan basis, and I have half-a-
29 dozen in my office, of which this is a typical one and
30 this is my own personal favourite painting by John Little.



1
2 Now, we are about to begin in 1961 a new cover
3 policy. We shall be commissioning in 1961 approximately
4 20 paintings, each by a different Canadian painter. They
5 will not be as explicitly illustrative as our covers have
6 been in the past. We shall, in fact, be going to each of
7 the painters and saying to him, "Please do us a painting
8 which would be in your opinion suitable for a cover." We
9 are not giving any explicit instructions. Now, I would
10 first like to show this. This would be the first one and
11 it is a painting by Alfred Pellán, and these paintings
12 we shall be buying outright and we rather hope that they
13 will be the kernel of a Macleans collection which perhaps
14 we will be able to show across the country.

15 I have three or four others here that have
16 already been bought, and there are some others coming.
17 This is a painting by Alec Colville, which will be
18 appearing on the cover of the 1961 issue, and there is
19 another one here of Ron King. These are good examples.
20 I don't know what order they will be appearing in, and
21 we have a number of others that we have commissioned and
22 which will be delivered almost any day.

23 Before I leave the subject of art, I would like
24 to mention photography. When, for example, Macleans
25 commissioned Bruce Hutchinson for the Rediscovery of the
26 Unknown Country a few years ago, a very important part of
27 the presentation of Canada to Canadians that that series
28 made were the four colour photographs. This one is by
29 Ronnie Jaques, one of many which won several awards,
30 including one at the annual showing at the Art Directors'



1 Club in New York. Peter Croydon was the main contributor
2 of colour photography in that series. We have also had,
3 from time to time, some of the best works of Yousuf Karsh.
4 I shall show just a few of the very unusual pictures of
5 a discovery of ours a few years ago, John de Vissier,
6 just using simple, ordinary camera-work, and without any
7 gimmickry he took these most unusual pictures and some of
8 them look like abstracts until you are told what they are.

9 I mention art, in part at least, because it was
10 hitherto unmentioned and, of course, Macleans is not an
11 art magazine and we are, of course, judged mainly by what
12 we do to and for Canadian writers.

13 You, Mr. Chairman, had several questions that
14 indicated a special interest in fiction, so perhaps you
15 will forgive me if I deal with Macleans fiction policy at
16 some length. When I first came to Macleans we used to
17 have two short stories in every issue; after the war it
18 went up to three and that was six short stories a month.

19 THE CHAIRMAN: When was that?

20 MR. FRASER: That was up to about 1953, and I
21 went to Macleans at the end of 1943.

22 THE CHAIRMAN: I was thinking of your editor-
23 ship.

24 MR. FRASER: No, when I went to the staff of
25 Macleans magazine in 1953. There were six short stories
26 a month, and we found that Canadian writers were not
27 producing six short stories a month of the quality that
28 we considered suitable, and this meant that we were
29 dealing with mainly agents in New York. Most of the
30



1 fiction that we then bought was the work of American
2 writers, much of it we thought ourselves to be below the
3 standard of quality that we were able to set for articles,
4 and as you, Mr. Chairman, know very well, fiction is an
5 international commodity and the highest bidder has the
6 first choice and we were not the highest bidder, so that
7 we were rather unhappy about the whole fiction situation,
8 and we made a change of policy in 1950. As you know,
9 this is largely hearsay as far as I personally am concerned,
10 although I knew about it at the time, but the new policy
11 was to reduce the quantity of fiction that we would buy
12 and make a strenuous effort to improve the quality; that
13 we were going to publish only one story in each issue and
14 we would try to get better stories. We also employed
15 various devices to get better stories; annual fiction
16 contests, the Macleans Award, which is still open but
17 hasn't actually been awarded since 1957, and still we had
18 only 36 entries during this year, 1960.

19
20 Well, the experience was certainly much better;
21 we got some excellent fiction and one which I would
22 mention, for example, and was the winner of one of our
23 fiction contests and it was a short story we published
24 under the title of "The Firing Squad" by Colin McDougall,
25 and we later expanded it into a short run novel entitled,
26 "Execution" which won the Governor-General's Medal in 1958,
27 but on the whole the experience of this fiction policy was
28 somewhat disappointing. We found that we would still buy
29 only about half of the material from Canadian writers, and
30 the exact figures I think are that in eight years we bought



1 192 stories or fiction units, and that would include
2 instalments of novels and of those, I think 105 were
3 Canadian.
4

5 So, in 1958 we adopted a new policy; we didn't
6 entirely discontinue the purchase of fiction and we have
7 since then published, I think, 21 or 22 fiction units,
8 all Canadian. While that is roughly about 7 a year, we
9 used to get 13 Canadian stories a year, and this is a
10 drastic reduction, but not a complete elimination.
11 However, I must admit this is not a wholly encouraging
12 situation for the aspiring Canadian fiction writer,
13 because we do now publish fiction more or less by special
14 arrangement and we don't any longer undertake to read
15 unsolicited fiction except those that are submitted for
16 the Macleans Award.

17 I don't want to be too defensive about this,
18 but when I first came to Macleans the standard reproach
19 that you had to get accustomed to was different, but now-
20 adays it is, "Why don't you support Canadian fiction?
21 Why don't you buy more Canadian fiction?" In those days
22 it used to be, "Why do you publish such dreadful stories?"
23 and the best reply in those days I could think of was,
24 "You want to see some of the stuff we don't print." I
25 have saved some samples of it, and I would be glad to
26 submit it in the submission.

27 THE CHAIRMAN: We have suffered enough!

28 MR. FRASER: At any rate, I think some of it
29 was pretty bad and it demonstrated, I think, that at
30 least some of our aspiring ones are no less inglorious



1 for being human.

2
3 However, we are not really happy about the
4 present situation; at least, I am not personally, but
5 perhaps we will devise some way of broadening the oppor-
6 tunities for fiction writers. We shall certainly try.
7 I must say that the financial obstacles are pretty formi-
8 dable.

9 THE CHAIRMAN: Does that apply to Chatelaine
10 as well? Are you referring to both magazines or speaking
11 of Macleans only?

12 MR. FRASER: Only of Macleans. However, I
13 would like to point this out that there are more ways of
14 helping fiction writers than buying short stories from
15 them. Hugh Maclellan, I suppose, is the most distin-
16 guished Canadian novelist now writing, and over the
17 years we have bought, I think altogether, 20 contributions
18 from him, of which one was fiction and that was an
19 excerpt from one of his novels. These non-fiction contri-
20 butions were mostly assigned by Macleans to Mr. Maclellan
21 while he was actually working on the novels that won him
22 so much fame during that period.

23 You mentioned last week Charles G.D. Roberts,
24 Mr. Chairman, and I was interested to note that he was
25 a contributor to Macleans back in the 'twenties, but he
26 sold us only fiction and one poem. However, Mazo de la
27 Roche and Stephen Leacock both wrote articles for
28 Macleans, and Morley Callaghan made 15 contributions to
29 Macleans over the years, of which I think only a few have
30 been fiction. I might mention you will probably have



1
2 noticed Edmund Wilson's essay in a recent issue of The
3 New Yorker who was reproaching Canada for not paying
4 attention to Mr. Callaghan's work. This is a reproach
5 in which Macleans has no share, because we published the
6 first version of the book that Mr. Wilson was reviewing,
7 and it was one of Macleans novel awards and was in a
8 small condensed form and it was then published in its
9 entirety in one issue.

10 Mordecai Richler, one of the most promising of
11 the Canadian novelists has made 9 contributions to
12 Macleans, only two of which have been fiction units, and
13 I would like to mention that Mr. Richler, after several
14 years residence in England, is now back in Canada re-esta-
15 blishing his contact with Canada, and in part as a result
16 of an arrangement with Macleans magazine. He is going to
17 make a series of contributions to us during 1961 as he
18 was doing before, and I think these will be fiction.
19 That is the intention, at least, and we do think it is a
20 contribution to his functioning as a novelist.

21 Ralph Allen produced three novels while on the
22 staff of Macleans; two of them while he was editor; how
23 he did it, I don't know, but he did.

24 Pierre Berton, while managing editor produced
25 at least two books and the script of an award-winning film,
26 and I don't know how much in the way of television drama,
27 and that sort of thing. Pierre, as you know, is an
28 incredible producer.
29
30



1
2 Fred Bodsworth was on the staff of Maclean's when he
3 wrote his first highly successful novel. Actually,
4 it was a long short story; it was republished --
5 The Last of the Curlews. To our great regret he resigned
6 in order to have more time to devote to his writing,
7 but he still writes for us as often as we can persuade
8 him to take the time to do so.

9 These assignments of factual reporting do
10 provide a financial backstop for people engaged in
11 the writing of fiction.

12 There have been some references before the
13 Commission on staff written articles, and I would like
14 to go into a little detail on that, if I may. Approx-
15 imately one-third of Maclean's articles are staff
16 written. In 1959 the figure was exactly one-third --
17 thirty-four per cent; seventy-two out of 212 articles.
18 The 1960 contributions are complete but the indexing
19 is not, and I cannot give you the exact figures, but
20 my guess would be the staff written percentage would
21 be lower -- more like one-quarter to three quarters.
22 The rest of the magazine is contributed by sixty-seven
23 contributors in 1959 of whom all but fifteen were
24 Canadians. There were ~~Seven~~ British, seven American
25 and one European among our contributors. Our staff
26 writers, of course, are all Canadian. Of the articles
27 Maclean's published in 1959, 93.7 per cent were
28 Canadian; that is, written by Canadians, and it is
29 a pure coincidence but it happens the writers that
30 year came from each of the ten provinces except Prince



1
2 Edward Island. I have here a complete breakdown of
3 all our contributions which I will be glad to submit.

4 THE CHAIRMAN: We will accept it for the
5 record.

6 MR. FRASER: I won't take the time to read
7 it. Yesterday Mrs. Frayne brought up a point with which
8 I would like to deal: the question of who are these
9 contributors? Are they all established people? Or,
10 what chance has a young unknown writer to get into
11 Maclean's? I have some mild and friendly demurs to
12 put into one or two of the points Mrs. Frayne made
13 yesterday. In the first place, I think one has to
14 take into consideration the mention of time. Bruce
15 Hutchinson, one of our regular contributors, is a
16 national figure today, but he was not a national figure
17 in 1927 when he wrote his first article for Maclean's,
18 and I think we are entitled to infer that the 96
19 articles Bruce Hutchinson has written for us in the
20 meantime have something to do with the fact he is a
21 national figure today. I am sure you, Mr. Chairman,
22 could think of many other examples -- Grant Dexter,
23 and lately Pierre Berton -- great names in Canadian
24 journalism who in part became great names by writing
25 for Maclean's Magazine.

26 As to the present, it is not impossible for
27 a completely unknown writer to have something published
28 in Maclean's Magazine.

29 COMMISSIONER JOHNSTON: What is your phrase?

30 MR. FRASER: I say it is not impossible.



1
2 COMMISSIONER JOHNSTON: Not impossible?

3 MR. FRASER: For a completely unknown writer
4 to have something published in Maclean's Magazine.
5 What you have to do to get an article into Maclean's
6 Magazine is write one, and that is not a facetious
7 statement. That is a literal statement of fact. Last
8 February a young woman came into the editorial offices
9 of Maclean's; no one in the offices had seen or heard
10 of her before and she said her name was Mrs. Stephen
11 Robert and she had written an article about an immigrant
12 girl's impressions of Canada. Ian Sclanders took
13 her manuscripts and said, "Thank you; we will read it."
14 He gave it to the other editors to read, and they
15 all liked it and they bought it. As far as I know
16 it was printed without substantial alterations. It
17 may have had some changes, but all I can say is, the
18 seven other articles we have bought since then --
19 all in 1960 -- have not required any great editorial
20 council at all. They have been published almost
21 exactly as they were written by Mrs. Robert.

22 I was in my present position about a week
23 or two weeks when I got a letter from a man I knew
24 slightly in Ottawa. I had met him in Bonn two or
25 three years ago -- Payton Lyon. It was a friendly
26 letter of gradulation on my appointment and he said,
27 "I made a speech recently and some friends of mine
28 thought it may be worth publishing, so I am enclosing
29 a copy of it." I handed it around and there were just
30 two opinions on it: it could be printed as it was,



1
2 or it could be improved by some slight minor revisions.
3 We sent it back for the minor revisions and got it
4 back in the office almost by return mail, and since
5 then we have printed two more articles from this
6 writer.

7 Altogether in the year 1960 Maclean's
8 has published the work of fifteen people who had never
9 appeared in a magazine before. Some of those were
10 established people whom we invited to contribute. One
11 was Dr. Arnold Toynbee, and we were highly honoured
12 that he accepted the invitation. Richard Rovere
13 contributed to the same issue. A number of the others
14 were complete strangers to us. Some had never had
15 anything published before. They were simply people
16 who in one way or another were writing on some subject
17 dear to them or developing some fresh original idea,
18 and they had written it out and brought it in. That
19 certainly can be done.

20 Altogether in 1960 Maclean's has paid the
21 various Canadian free lance writers a grand total of
22 \$114,000. Our payment for articles ranges from --
23 and I am talking about full length articles -- ranges
24 from \$300 as a base rate. We pay that for arguments
25 and perhaps for small short articles, up to occasional
26 special arrangements as high as \$1,000. A typical
27 payment to a professional, experienced writer for an
28 ordinary article taking an ordinary length of time
29 would be about \$450. The total for any one individual,
30 of course -- and it depends on his production --



1
2 but all the way from whatever we would pay for one
3 article up to something in the neighbourhood of \$5,000,
4 I should say, for a few of our regular contributors.
5 As Mrs. Frayne said yesterday, it is not possible to
6 make a very substantial income in Canada writing
7 exclusively as a free lance for one magazine. I
8 would not like to leave the impression, though, that
9 that is as much as can possibly be made. Almost all
10 of our regular contributors are also regular contributors
11 to other publications, and several of them regular
12 contributors to the C.B.C.

13 THE CHAIRMAN: If this gets out you are going
14 to have a lot of manuscripts in the next few weeks.

15 COMMISSIONER JOHNSTON: I was thinking of
16 the first program advertising the Canadian Banking
17 Association -- "Your bank manager is friendly. Go
18 and see him. He will lend you money," and they had an
19 awful time.

20 MR. FRASER: There is nothing we would like
21 better than to be swamped with good articles by people
22 we have never heard of.

23 I would like to refer to what Mrs. Frayne
24 was saying yesterday, particularly to one part of
25 what she said with which I am in most heartfelt agreement,
26 and that is the narrow range of opportunities open
27 today. We feel very deeply the responsibility of
28 being so few. In the case of fiction, for example,
29 there is not very much Maclean's can do, really, no
30 matter how hard we try, because no magazine can please



1
2 everybody, and it is a mistake to try. You develop over
3 the years a body of readers, and, according to the
4 best evidence we have, the body of readers we developed
5 over the years are readers more interested in factual
6 articles than fiction -- even good fiction. So, even
7 the fiction we have presented with the utmost pride
8 has got a relatively lower readership than a good
9 factual article would get.

10 I have been talking at enormous length of
11 what we have been doing for Canadian writers and painters.
12 I would not like to stop before going on to what
13 must, after all, be our main function if we presume
14 to present ourselves as a national asset, and that is,
15 what we do for Canadian readers. It is hard to do
16 this without sounding a little pompous. Perhaps I
17 had better begin by saying, naturally, one of our
18 main objectives is simply to entertain our readers.
19 We think of a Maclean's reader as an intelligent person
20 in a relaxed mood, and a great deal of what we
21 offer is intended only for his entertainment and not
22 for his improvement. However, we have serious purposes.
23 We want to report Canada and the world to Canadians
24 through Canadian eyes. To that end we have undertaken
25 a few quite major projects over the years. I have
26 mentioned Bruce Hutchison's series, the rediscovery
27 of the unknown country. He went into every province
28 and brought out more than a dozen articles because
29 there was more than one article per province. We have
30 a travel budget at Maclean's which runs around \$4,000



1
2 a month on average for staff and contributors. Since
3 I have been with Maclean's we have had staff written
4 material from every continent, dozens of countries,
5 and every major international crisis, I think, -- or,
6 certainly most of them. Our Ottawa editor, Peter
7 Newman, noted the other day with some interest that
8 in his first six months in that position he had travelled
9 17,000 miles touching Bonn, Berlin, Copenhagen, Paris,
10 London and New York. This year alone we have had
11 writers, either staff writers or trusted contributors,
12 in Moscow, Rome, Athens, Prague, Budapest, Belgrade,
13 all over India, Pakistan and Ceylon. We think there
14 are many parts of the world such as the middle east
15 where there is a Canadian viewpoint which might be
16 different from either the American or the British
17 which would be available to us through other sources.

18 Our primary task, of course, is to gover
19 Canada. We have staff men in Ottawa and Vancouver,
20 and we have stringers -- that is, occasional part-time
21 contributors; fifty of them from coast to coast.
22 We have just recruited a new French language staff for
23 the French edition of Maclean's in Montreal and Quebec
24 City from whom we expect to draw a good deal of material,
25 and I have already mentioned our special issues on
26 the various regions of Canada.

27 As for our overall function, We ran across
28 a review in a small brochure, The Canadian Reader,
29 which I will be glad to file as an exhibit -- a review
30 that made us feel about eight feet high. I would like



1
2 to read one or two sentences from what this young man
3 says about Maclean's Magazine.

4 He says: "A few institutions hold our country
5 together. Physically, the railroads and the airlines.
6 Politically, Parliament and the Civil Service. Culturally,
7 the C.B.C. and Maclean's Magazine. This may perhaps
8 be a slight exaggeration", he adds somewhat unnecessarily.
9 "But there is no doubt that Maclean's occupies a
10 unique place in our nation." Then he goes on to talk
11 in a very kindly vein about this, and he mentions
12 two reasons for the continued success of the magazine:
13 "Writers and editors have operated on the flattering
14 assumption that their readers are intelligent and
15 responsible people; there has been no condescension
16 in this magazine. The second reason for Maclean's
17 survival is more important. Viewers-with-alarm have
18 been known to shake their heads in the belief that
19 Canadians are not interested in Canada. Maclean's
20 Magazine has never subscribed to this view. In fact,
21 the magazine's position has been just the opposite.
22 Maclean's has always assumed that Canada and Canadians
23 were interesting to readers. And, happily, this
24 assumption seems to have paid off.

25 The reason we read those words with such a
26 glow of gratification is that we could not be more
27 proud than to think it might be a deserved tribute.

28 The one remaining function of Maclean's I
29 want to mention -- and although I mention it last I
30 want to lay great stress upon it: we make a great and



1
2 conscientious effort to offer ourselves as a forum
3 for every side of every issue that is of importance
4 to Canadians. The staff writers are commissioned to
5 report the facts as they see them and can get them --
6 not their own opinions, but the facts. I was a staff
7 writer for Maclean's for sixteen years, and never in
8 the sixteen years have I ever been subjected to any
9 kind of direction. I have never been instructed to
10 view the facts from any particular point of view.
11 Often I had to rewrite the articles because they were
12 dull or confused or obscure, but never, never asked
13 to change them in any way to conform to any preconceived
14 policy line. We are often asked at Maclean's what
15 is our editorial policy and how we arrive at it.
16 Well, in an anniversary issue for our golden jubilee
17 a few years ago we stated our editorial policy in an
18 editorial which I beg your permission to quote from:

19 "Maybe we shouldn't admit it, but this
20 magazine has no defined editorial policy.
21 Its editors are men with many ideas in
22 common who have never taken any formal steps
23 to find out just what these ideas are.
24 Once, years ago, a former editor wrote a
25 few bold paragraphs setting forth the magazine's
26 'creed', but nobody who works here now can
27 remember what it was. Our editorial tune is
28 played by ear .

29 But we were glad to observe in this
30 backward glance that there is a tune, a certain



1
2 underlying consistency all the stronger for
3 not being planned or imposed. Out of the loose
4 collaboration of many congenial minds has
5 emerged, over the years, a set of general
6 principles. They are simple to the point of
7 being platitudinous, but we note with some
8 pride that the magazine has kept them through
9 many changes of weather."

10 We go on to mention a couple of examples:
11 Colonel John Bayne Maclean being disciplined by the
12 censor in the First World War; various times when
13 we look back at having stood up for freedom at moments
14 when particular freedom was not as popular as it some-
15 times is.

16 "Generally speaking, though, the emotions
17 stirred by this survey of fifty years is
18 not pride but a certain contentment. There is
19 much in these old pages that looks quaint to-
20 day and much that is obviously mistaken, but
21 little that seems out of tune with the Canada
22 of its time. Their faults and their virtues,
23 their shrewdness and their blindness all
24 appear now to be those of Canada. If we can
25 present as clear and lively a picture of Canada
26 in the second half of the century as our
27 predecessors did in the first half, we shan't
28 do badly."

29 THE CHAIRMAN: I must say I have listened
30 with the greatest admiration to your manner of presentation,



1
2 Mr. Fraser, and, as a matter of fact, the thought was
3 running through my mind, in view of all these generous
4 salaries you pay, that each Royal Commissioner here
5 should have at least \$1,000 for permitting you to put
6 this magnificent blurb on the record.
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2 Coming back to fiction for just a moment, you
3 said I think at one stage that you could not
4 afford to receive unsolicited manuscripts and I can
5 understand that, too. But, are there any fiction
6 agents in Canada who help young writers market
7 their stories?

8 MR. FRASER: There are. The literary
9 agents, of course, with the widest range operate
10 from New York for obvious reasons because fiction
11 is an international commodity. It is not quite true
12 that writers of fiction in Canada have not an outlet
13 although what Mrs. Frayne said yesterday about
14 factual articles is quite true; there is not a
15 great interest in Canadian reporting in American
16 magazines. As far as I know there is no resistance
17 to magazine fiction by Canadian writers although
18 the openings are limited in this Country. We are
19 not limited on this continent and fiction writers
20 in Canada are not barred.

21 To answer your question, there are
22 agents in Canada but partly because of the small
23 number of openings in the Country these agents
24 operate in a smaller way.

25 THE CHAIRMAN: Are there any dependable
26 agents in New York who would look over a manuscript
27 sent by a young Canadian writer and perhaps advise
28 him or try to market with MacLeans.

29 MR. FRASER: Yes, I believe so, of course,
30 you are questioning me now on something which I have



1
2 no personal professional experience but I think
3 there are several agents with which we have close
4 contact. To be statistical for a moment, when we
5 were buying fiction regularly I am told we used
6 to receive in the office approximately five thousand
7 manuscripts a year, one hundred a week. Now, to
8 read those seriously is a massive job unless you have
9 established a fairly standard type of fiction which
10 the agent can almost, in effect, take some of the
11 burden of editorial duty. But, if you are in search
12 of new, fresh, serious work which would, if
13 discovered, be a real contribution to the cultural
14 life of Canada, obviously, you have to do it
15 yourself. You would have to set up a pretty
16 expensive piece of machinery to receive what, even
17 at the highest hope, would be a fairly small flow
18 of material.

19 THE CHAIRMAN: You are saying if a young
20 woman or a young man in this country had a piece of
21 fiction he had written that was really good, showing
22 excellent promise and which was marketable within
23 the terms of your magazine that you would give
24 consideration?

25 MR. FRASER: Not only would but we do.
26 As a matter of fact, I have on my desk at this
27 moment two short stories, one by a young writer
28 who has been published before and the other by a
29 student at the University of Toronto who, as far as
30



1 I know, has never been published anywhere. Of the
2 two, the one most likely to be bought, in fact I
3 think it quite probable that we shall buy it, is
4 the one by the young student. This is, as far as
5 I know, an absolutely first work. This girl is a
6 complete stranger, as far as I know, to the people
7 with whom she was in contact, By a mere coincidence
8 I know who she is but I never thought of her as a
9 writer.

10
11 COMMISSIONER JOHNSTON: That would not'
12 influence you?

13 MR. FRASER: No.

14 THE CHAIRMAN: Do you watch the little
15 magazines for talent?

16 MR. FRASER: Yes, the Tamarack Review and
17 so on,; we do indeed.

18 COMMISSIONER JOHNSTON: I just have one
19 question. I was wondering if you could give us
20 some information about this Reader's Club of Canada?
21 I do not like a publication that has the name of
22 no human being on it.

23 MR. FRASER: I understand that. I am speaking
24 subject to correction because I have not firsthand
25 knowledge but I believe the Reader's Club of Canada
26 was organized by Peter Martin who is a young man in
27 his twenties as a sort of Canadian Book Club on the
28 general model --

29 THE CHAIRMAN: Who is Peter Martin?

30 MR. FRASER: I do not know. I do not know



1
2 him at all.

3 THE CHAIRMAN: You only know he is given
4 to understatement.

5 MRS. ANDERSON: He has a position with
6 the Canadian Association of Adult Education.

7 THE CHAIRMAN: Is he a young man?

8 MRS. ANDERSON: Yes, about 26.

9 THE CHAIRMAN: Given to understatement.
10 Well now, you wish to say something to us also?
11 Chatelaine is not as good as MacLean's, I am sure.

12 MRS. ANDERSON: We will do our best to
13 try and convince you.

14 My name is Doris Anderson and I am the
15 editor of Chatelaine Magazine. I am very pleased
16 to have a few minutes of your time and I will try
17 to be as brief as possible.

18 The editorial purpose and policy of
19 Chatelaine is a very simple one. We are editing a
20 magazine specifically for the Canadian woman and
21 in the next few minutes I would like to show you
22 just how we go about doing this.

23 First of all, Chatelaine is a kind of
24 trade magazine for the Canadian Homemaker. We
25 publish recipes that use products she will find
26 in her local supermarket, using measurements that
27 are standard in Canada. As well as our food features
28 we run Canadian fashions and we show our readers
29 houses built for the Canadian Climate for Canadian
30



1
2 materials and furnished with Canadian made furniture.
3 Furthermore, as a service to our readers we tell
4 them where these fashions and furniture can be
5 bought in Canada.

6 The service and guidance that is one
7 of the main jobs of a woman's magazine is only
8 half the story because we devoutly believe that
9 Canadian women have a wide and growing interest
10 in matters outside of the home. We also talk about
11 these things in the magazine. News about what is
12 going on in Canadian Arts. News about national
13 and international affairs in a monthly column called
14 "It's Your World" and many articles about the affairs
15 of our Country that directly concern the homemaker.
16 For example, in the last year I would like to give
17 you a few examples of the stories in the magazine.
18 In August we ran an article called "We are throwing
19 away our past". This article pointed out that many
20 famous old Canadian houses are falling to decay or
21 being torn down simply because we haven't realized
22 their historic value. We also tell the woman in the
23 magazine where to go to do something about this,
24 who they should write to, what societies were making
25 some effort to rectify the situation.

26 In 1960 we sent a reporter up north to
27 report on what is happening to the Canadian Eskimos.
28 We sent another reporter in front of her T.V. set
29 and ran a report on women's T.V. shows in Canada
30 as well as shows that are being sent in from across



1
2 the border. We ran a photo story on the descendants
3 of famous Canadians, an article on the state of
4 our hospitals for retarded children, a profile on
5 Madame Vanier and a survey on what kind of women
6 volunteers are in short supply in various Canadian
7 Cities and explained to the reader how she could
8 get into the volunteer work of her choice.

9 This brief rundown will give you some
10 idea of the scope and the kind of subject matter
11 that we cover in Chatelaine in a typical year.
12 I think all these subjects are subjects that are
13 worthy of place in a Canadian magazine and I am
14 certain that not one of them would have appeared
15 in any foreign publication.

16 We realize that we are important in the
17 lives of Canadian women -- sometimes with painful
18 results. If, for example, we run an article that
19 does not please them -- and we frequently do --
20 we hear about it. Last spring we ran an article
21 called "Housework is a part-time job" and we were
22 deluged with letters and I am still getting complain-
23 ing letters about that article. Recently we
24 ran a short article telling our readers what university
25 courses were available in Canada. We got five thousand
26 requests for further information we offered.

27 Orders for our needlework and craft patterns run
28 around 1100 orders a month. We run a recipe contest
29 every February for kitchen tested recipes and we
30



1
2 get nine thousand on an average, at least, that
3 is what we got this year. This fall when the
4 R.C.A.F. came out with a new plan for keeping air
5 women fit we ran the first set of exercises in
6 Chatelaine. The Air Force got four thousand five
7 hundred requests in three weeks as a result of
8 that article.

9 We think we have a decided advantage
10 over any foreign based publication in knowing what
11 our readers want because we are a staff of
12 Canadian homemakers ourselves. About half of
13 the Chatelaine staff is married and many of us
14 have children of our own. We come from all over
15 Canada. I was born and raised and went to school
16 in Alberta. The Associate Editor grew up in Nova
17 Scotia. One of our staff members lives in Ottawa.
18 Our Copy editor is from Montreal. In short, we were
19 born and educated in Canada and our hopes for
20 ourselves and for our children are with the growth
21 and future of this Country.

22 We also believe a Canadian audience can
23 best be served by Canadian writers. 83% of our
24 articles are written by Canadian writers; 57% of
25 our fiction is written by Canadians. Acutally we
26 would prefer a much higher figure on the fiction
27 and I think Mr. Fraser has explained in some part
28 why it is difficult. There are simply not enough
29 Canadian magazines to give writers in Canada the
30



1
2 kind of experience that produces good, professional
3 stories that women want to read. We did buy and
4 publish the first novel of Patricia Blondal, a
5 Montreal writer, before any publisher had
6 accepted her work; that was a novel. We also agreed
7 to publish a biography of Agnes MacPhail before the
8 authors had a publisher. Frequently books are
9 published from articles that have appeared in
10 Chatelaine's pages. The late Dr. Marion Hilliard
11 was a contributor to Chatelaine and later published
12 a book based on her Chatelaine articles.

13 It might interest you to know what
14 proportion of general articles are staff written
15 and the figure is about 12%. That leaves 88% which
16 are written by free-lance writers. 92% of our
17 payments to photographers go to Canadian photo-
18 graphers and all of our illustrations in
19 Chatelaine fiction and other illustrations are done
20 by Canadians.

21 In the past year 13 writers, 4 photo-
22 graphers and 9 artists were introduced to our
23 readers. At the present time 8 Canadian writers
24 who have never had an article in a Canadian magazine
25 before are working on assignments.

26 Canada is a very big Country and a
27 national magazine must try to give good national
28 coverage. We have 35 stringers across the Country
29 who send us suggestions about what is going on
30 in their Cities and Towns and we run a monthly



1
2 column on women's activities across the Country
3 called "What's new with you".

4 Our scale of payment ranges from \$300
5 to \$600 for full-length articles depending on
6 the skill and experience of the writer. With a
7 new writer who might require as many as four
8 detailed letters and then a day or more of a staff
9 writer's time to get the article in shape, we
10 pay the lower rate. As the writer becomes more
11 professional we move them up the scale. Fiction
12 payments start at \$400 for the first sale, \$500
13 for the second and \$600 is our top fiction price.

14 THE CHAIRMAN: For short stories?

15 MRS. ANDERSON: Yes. That concludes the
16 story of what we are trying to accomplish at
17 Chatelaine. I think it is a cliché to say that the
18 hand that rocks the cradle rules the world and I
19 am not sure the cliché would stand up to very close
20 examination. However, there is no doubt that a
21 women's influence in this nation and its children
22 and its home life, and, to an increasing extent
23 on its community and national life, is a growing
24 one and a women's magazine must play an important
25 responsible role in the growth.

26 I hope I have convinced you that Chatelaine
27 is assuming this responsibility with a Canadian
28 magazine that is written and addressed to Canadian
29 women, a magazine that will instruct them, entertain
30



1
2 them, and sometimes make them boiling mad but above
3 all will win her respect and confidence.

4 THE CHAIRMAN: Mrs. Anderson, what are
5 your contacts as Editor of Chatelaine with that
6 magnificent young lady who appeared before us
7 in Quebec who was Editor of the new French Chatelaine--
8 I mean equally magnificent.

9 MR. ANDERSON: Thankyou. Almost just one
10 of consultation. She runs her magazine and I run
11 the English speaking version. We do consult about
12 articles and I hope in the future we will be
13 running many articles that will also run in the
14 French edition and she hopes the same but so far there
15 has been very little.

16 THE CHAIRMAN: You each have your own job?

17 MRS. ANDERSON: Yes.

18 THE CHAIRMAN: She has full autonomy?

19 MRS. ANDERSON: Yes.

20 THE CHAIRMAN: Mr. Fraser, is that true
21 of--

22 MR. FRASER: I am glad you asked because
23 I may have left a wrong impression when I mentioned
24 the French staff. They are wholly autonomus, they
25 are responsible to Pierre Bellefeuilles, not to
26 me. Our relations are close and friendly but there
27 is no mutual authority whatever,

28 THE CHAIRMAN: Mr. Anglin, is theresomething
29 you wish to say?

30 MR. ANGLIN: If I could have ten minutes



1
2 now or after the recess.

3 THE CHAIRMAN: We will go on.

4 MR. ANGLIN: I am Gerald Anglin editor
5 and publisher of Canadian Homes. I should explain
6 that my experience in the business has been entirely
7 editorial on all three magazines until three years
8 ago when I was also made publisher of the magazine,
9 meaning that I have overall responsibility for it.
10 This has brought me into pretty direct contact with
11 some economic problems that you have been hearing
12 about.

13 I would just like to add a footnote on
14 one particular facet of the magazine business.
15 Most people would consider the term "National
16 magazine" synonymous with "mass media". Actually,
17 a study of the many titles on Canadian newsstands
18 will reveal that the magazine is one medium which
19 can also specialize catering to any one of many
20 different interest groups within the total population.
21 Yet, such magazines of relatively small publication
22 must meet the publishing standards of mass magazines
23 if they are to compete.

24 For thirty-five years the magazine which
25 I now direct has found a keen and appreciative
26 audience among those Canadians having a special
27 interest in the home. However, the story of
28 Canadian Homes demonstrates that the special audience
29 magazines published in Canada also have special
30 problems for with a total population only one-tenth



1
2 that of the United States there are few such
3 interest groups large enough to support any
4 commercial publication.

5 For instance, there are five national
6 home magazines published in the United States and
7 only one in Canada. Most of these American magazines
8 sell for a few cents more but they are usually more
9 than twice as thick so that on a page per penny basis
10 they are a much better buy than their one Canadian
11 competitor. And yet, not even the largest which
12 pushes its sales most progressively has as large
13 a sale in Canada as Canadian Homes. The reason for
14 this, readers tell us frequently and explicitly
15 in their letters. "The best thing about Canadian
16 Homes" summed up one reader recently, "is that it
17 really is Canadian, written for Canadians about
18 the Canadian scene and all products shown are
19 available here." Like readers of house and garden
20 magazines anywhere the Canadians want to know about
21 better house designs, the best looking and most
22 comfortable furniture, the latest colour schemes,
23 the newest household conveniences and all the help
24 and ideas they can get with their gardening. But in
25 all these areas they want to know what is available
26 in Canada, what is suitable for Canadian living, what
27 works in the Canadian climate and there is only one
28 national magazine serving Canada across this whole
29 "Home centered" range of interest, a range which
30



1
2 also includes cottaging, boating and very importantly,
3 travel. We have discovered our audience of home
4 lovers also like to get away from home.

5 Now, in my written brief I have details
6 to a considerable extent but I do not want to take
7 the time to go into it now as to how we do this,
8 go after the Canadian type of house by reporting on
9 the Canadian scene. We can give them material in
10 this field which they cannot possibly get in American
11 magazines.
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1 I would like to just mention an outstanding
2 example of that, the job done by our garden department,
3 because it makes our magazine the only one to which
4 gardeners at almost any time may turn for guidance
5 applicable to their region, which they cannot get from
6 outside publications. We have as our gardening editor
7 Jane E. Little, and she has contributors and consultants
8 and experts across Canada such as John W. Neill, Asso-
9 ciate Professor of Plant Science at the University of
10 British Columbia, and F.L. Skinner of Dropmore, Manitoba,
11 who has specialised in developing hardy plants. There
12 are also other consultants; R.W. Oliver, a chief horti-
13 culturist at the Central Experimental Farm at Ottawa;
14 Leslie Laking, Director of the Royal Botanical Gardens
15 in Hamilton, and R.A. Fillmore, a noted Maritime nursery-
16 man and author of three gardening books.

17 As I say, this is an example of the way we
18 approach each of our fields to make sure that we are
19 covering them in a way which will be of use here in
20 Canada to the Canadian with his special interest in homes.

21 Canadian Homes has achieved a considerable
22 success in serving its special audience. Since the war
23 the magazine's circulation has increased from 18,000 to
24 over 140,000, but as stated in the Maclean-Hunter brief
25 which was submitted to you some weeks ago, this magazine
26 has also managed to achieve a considerable loss in
27 dollars. The reasons for this unhappy contradiction are,
28 in miniature, as complex as the whole situation with
29 regard to Canadian publications which this Commission
30



1
2 As studying. I have neither the qualifications nor the
3 desire to go into them at any length, but I would like
4 to point out one or two factors involved from our stand-
5 point.

6 For one thing, despite its growth, Canadian
7 Homes is of modest size even in Canadian terms, and Mrs.
8 Anderson's Chatelaine has a circulation of five times
9 ours. As for our American competitors in the home maga-
10 zine field, the smallest has a total circulation of
11 696,000 and the largest has 5,000,000. Thus, while
12 Canadian Homes is aimed at only a limited audience, this
13 is a highly selective audience of Canadians having
14 slightly higher than average level of both income and
15 education, so that the magazine must do a high-quality
16 job to compete for their interest against much wealthier
17 magazines. This makes it an expensive operation.

18 Its editorial expenditures have risen from
19 \$84 a page in 1949 to \$390 per page in 1960. In the
20 coming year, 1961, the magazine will spend \$234,000 for
21 its editorial content, and this represents 18 per cent
22 of its total estimated revenue. It has today 50 full-
23 time editorial staff members - all Canadians, of course -
24 who are paid salaries comparable to those on much larger
25 publications, and beyond which we buy the work of 11
26 regular contributing editors, various freelance writers,
27 photographers and artists. And I would say that our
28 magazine is produced by and the content is about 99.5
29 per cent Canadian.

30 These writers and photographers must travel



1 extensively and expensively across this large land in
2 order to show readers how other Canadians live. When
3 the magazine was redesigned a year ago, it was decided
4 that we must spend an additional \$65,000 a year on paper
5 alone to achieve better quality reproduction. The point
6 here is that lacking the mass-audience press run to cut
7 down on the per-copy cost, in a real sense it is more
8 expensive to put out a good small magazine than a good
9 large magazine. The trick is, of course, to sell enough
10 advertising to compensate. I can say that the magazine
11 has been well-supported by advertisers wishing to appeal
12 to the special home audience, and yet costs have risen
13 faster than revenue in almost every year since the war.

14
15 Around Canadian Homes we tell ourselves cheer-
16 fully and a little ironically, "There is nothing wrong
17 with this magazine that another 75 pages of advertising
18 a year wouldn't cure." This is literally true, and
19 costs would rise comparatively little if we added 75
20 advertising pages and the revenue could make a tremendous
21 difference to our year-end picture. The fact is that
22 every extra page of advertising we can sell during the
23 next few critical years can do a great deal to ensure
24 that Canada will still have such a magazine in another 35
25 years from now, and every page we lose can threaten it.

26 Now, as you have heard, the competition for
27 the Canadian advertising dollar among magazines and
28 radio, business papers, billboards, newspapers and tele-
29 vision is keen, it is sharp, because each medium has
30 something valuable to offer the advertiser. This is



1 certainly fair enough. The rub comes when foreign
2 magazines are enabled to sell overflow circulation and
3 split-runs to Canadian advertisers.
4

5 THE CHAIRMAN: We have heard this story,
6 really, we are familiar with that. Would you mind
7 filing this with us. We have part of it and you can go
8 on. We are familiar with those figures. Could you
9 summarise or curtail a bit?

10 MR. ANGLIN: Well, I simply want to point out
11 in our own field that the same factors affect us as
12 affect other magazines, but those magazines operating in
13 the States, the two largest ones currently offer split-
14 runs, but neither one of them have split-out Canadian
15 copies, you might say. I think - I don't know - there
16 is nothing I know of to stop them, and they carry adver-
17 tising for not a few of the same firms for which we now
18 carry advertising, and we frankly hate to speculate on
19 what the introduction of a Canadian split-run by either
20 one of these magazines might do to the survival chances
21 of the only Canadian magazine serving readers in this
22 home field.

23 In closing, then, I would like to say that I
24 can't help but be convinced with the rate the Canadian
25 population and the Canadian economy is growing that
26 there is a sound future of both service and profit ahead
27 for this magazine. My company has shown its faith in
28 that future by investing heavily in the magazine year
29 after year. However, its future is something we can
30 only realise if Canadian Homes is given a chance to



1
2 compete for those extra advertising pages on fair terms
3 and within the country whose readers its serves. Thank
4 you very much.

5 COMMISSIONER JOHNSTON: I have one or two
6 questions, Mr. Chairman, but I wonder if we could have
7 a break now?

8 THE CHAIRMAN: We will have a break for five
9 minutes.

10 --- A Short Recess.

11 COMMISSIONER JOHNSTON: I think that this
12 question should be addressed to Mr. Fraser, and I will
13 try to make it brief, and I hope that he makes his
14 answer curt, concise and clear. The reason for the rush
15 is that we are, like the old Intercolonial Railway,
16 about three hours behind schedule.

17 One thing that bothers me a bit is this
18 emphasis on Canadian to the point where I wonder if we
19 are going to be allowed to learn anything about any
20 other country.

21 Macleans produced a U.S.A. edition recently;
22 was it too much or too little? Was it too much in one
23 gulp? What happened to the newsstand sales?

24 MR. FRASER: The newsstand sales were about
25 5,000 higher than the usual issue, the average sale.
26 We had hoped it might be even higher than that, but we
27 think that the issue was well received.

28 COMMISSIONER JOHNSTON: You have not got your
29 returns in yet?
30



1 MR. FRASER: That is approximately; I couldn't
2 give you the exact figures on that.

3 COMMISSIONER JOHNSTON: I think that is all I
4 wanted to ask.

5 COMMISSIONER BEAUBIEN: I only have one question.
6 You mentioned, Mr. Anglin, competition from split-runs
7 and overflow magazines. You didn't mention anything
8 about Canadian editions of foreign magazines. Do you
9 consider Canadian editions harmful from the point of view
10 of competition?

11 MR. ANGLIN: Yes I do, and I think I said that
12 because I think it has been gone into before. I definitely
13 think that that would affect the situation seriously.

14 THE CHAIRMAN: Thank you very much.
15

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17 SUBMISSION OF THE SOCIETY FOR ART PUBLICATIONS

18 Appearances: Allan Jarvis

19 Paul Arthur

20 THE CHAIRMAN: We have Mr. Allan Jarvis for
21 the Society for Art Publications. Will you identify
22 yourself?

23 MR. JARVIS: I am Allan Jarvis, Chairman of
24 The Society for Art Publications, and with me is Mr.
25 Paul Arthur, managing editor of Canadian Art, and this
26 submission, Mr. Chairman, has been prepared on behalf of
27 the 12 magazines listed at the end of our paper. We have
28 submitted this in writing, and I have no wish to read it
29 to take up the time of the Commission this morning, other
30 than to answer questions.



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2 THE CHAIRMAN: Well, frankly, I had myself
3 not read your submission, but there is one question I
4 would like to ask, and maybe this covers the whole thing.
5 What could this Royal Commission recommend that would be
6 helpful to your magazines?

7 MR. JARVIS: On page 3, Mr. Chairman, we make
8 three specific requests - suggestions, rather - to the
9 Commission; one, that these magazines should be exempt
10 from the 11% Federal sales tax; secondly, that the
11 substitution of second-class mailing privileges for those
12 now obtaining for the mailing of promotional literature;
13 thirdly, we suggest that we might be given the use of
14 Government-owned mailing systems - primarily the Queen's
15 printers - for our promotional material.

16 THE CHAIRMAN: Would you elaborate a little on
17 number three. I just don't quite understand what you mean
18 by the use of Government-owned mailing systems to promote
19 cultural magazines. Just what would that be?

20 MR. JARVIS: May I ask Mr. Arthur to speak to
21 that.

22 MR. ARTHUR: On page 4 we have detailed under
23 iii:

24 "The Federal Government, through its agencies
25 such as the Printing Bureau in Hull, possesses several
26 hundred thousand Addressograph and Speedaumat plates
27 which it uses to advertise its own publications to house-
28 holds throughout Canada."

29 We feel that if once or twice a year these
30 400,000 plates could be made available for use by these



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2 cultural, non-profit magazines to develop their reader-
3 ship, this would be in our view a tremendous help to
4 these magazines.

5 Our great problem is in not being able to adver-
6 tise or promote ourselves at all owing to the cost of
7 printing and, as we have said, to the cost of postage,
8 which is an even greater problem.

9 If once or twice a year we could print a post-
10 card, such as they do, and send it to every household
11 in Canada - I believe they have a list of 1,500,000 -
12 and this would then go into every household in Canada,
13 and the people who do not now subscribe to the magazines
14 would at least have them brought to their attention.
15 It amazes us just how many people are interested in these
16 magazines.

17 THE CHAIRMAN: Would this involve much cost
18 for the Printing Bureau?

19 MR. ARTHUR: I would say virtually none. The
20 cost of running these plates is not an enormous fee.
21 They run 400,000, I believe, every month; it is a monthly
22 list or a weekly list of 400,000, and they have to send
23 those out in any case, and they might even combine some
24 of their own publications. They do this daily, weekly
25 and monthly.

26 THE CHAIRMAN: What is the total circulation
27 of the art magazines in Canada?

28 MR. ARTHUR: Our circulation runs about 6,000;
29 that is to say, Canadian Art. I should imagine that the
30 others - and Fiddlehead I don't know at all - somewhere



1 around 1,500, but Canadian Art is about 6,000.

2 THE CHAIRMAN: Is it increasing?

3 MR. ARTHUR: It is increasing, and I think
4 that it would be quite interesting for you to know that
5 a magazine of a similar sort in the United States has a
6 circulation of 15,000.

7 THE CHAIRMAN: A similar magazine in the United
8 States?

9 MR. ARTHUR: Yes, with a population of
10 175,000,000, and that Canadian Art should have 6,000 in a
11 country of 17 and one half million, I think that is quite
12 nominal. It is brought to our attention that the people
13 that buy our magazines are interested in buying them and
14 in supporting them.

15 THE CHAIRMAN: Canadian Art goes to all
16 Provinces?

17 MR. ARTHUR: Yes, and it also goes abroad; a
18 very small part goes abroad, but it does go to the
19 Provinces of Canada.

20 THE CHAIRMAN: How much promotion can you do
21 for it? What is the nature of your promotion for the
22 magazine, or do you do any?

23 MR. ARTHUR: We hardly do any. We can't afford
24 to. Most of our money is put into the production of the
25 best magazine we know how to produce, and we would spend,
26 perhaps, \$2,000 on everything, including the notice to
27 people, which is another form of promotion, and including
28 the postage on this, and so on. At Christmas-time we
29 send out a number of these to the National Gallery of
30



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2 Canada, and they include ours in their own, and this is
3 all due to present circumstances.

4 THE CHAIRMAN: What is the nature of your
5 costs, the principal nature, the character of your costs;
6 the things that you spend most of your money on?

7 MR. ARTHUR: I think that something like 70%
8 of our money is spent on production of the magazine, the
9 actual printing of the magazine, and the rest goes - the
10 Canadians on the staff are three paid people, and other
11 magazines have similar staffs and sometimes smaller, but
12 you will see that something like over 25% is now absorbed
13 by the production of the magazine.

14 THE CHAIRMAN: What is the subscription price
15 of Canadian Art?

16 MR. ARTHUR: It costs \$7.50 a year for six
17 issues.

18 THE CHAIRMAN: And you get this without much
19 solicitation?

20 MR. ARTHUR: Yes. We hardly ever lose subscri-
21 bers, we keep them; that is one very good thing. The
22 rate is enormously high.

23 THE CHAIRMAN: You get something from the
24 Canada Council, don't you?

25 MR. ARTHUR: Yes.

26 THE CHAIRMAN: You get \$8,000 a year, is that
27 right?

28 MR. JARVIS: This year it is \$15,000 on a
29 dollar-for-dollar basis.

30 THE CHAIRMAN: Could you survive without that?



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2 MR. JARVIS: We hope to be able to do that in
3 1961, yes.

4 THE CHAIRMAN: Is this voted from year to year?

5 MR. JARVIS: It is on an annual basis. If I
6 may say so, we started just a year ago, and the Canadian
7 Art magazine was removed from the National Gallery at
8 the same time that I was, and at that time we faced ---

9 THE CHAIRMAN: Why was it removed, did it go
10 with you?

11 MR. JARVIS: In effect, yes sir.

12 THE CHAIRMAN: Is that why you call it a
13 migrant?

14 MR. JARVIS: At that time we had an accumulated
15 deficit of \$8,000, and we replaced it in 1960 with
16 \$60,000, which looked pretty desperate, but Mr. Arthur
17 is a brave character as well as a highly efficient one,
18 and we decided that this was a good time to get back,
19 and we decided we would publish six issues in 1960 and
20 would raise the subscription rate from \$3.50 to \$7.50,
21 and we lost subscribers enormously earlier this year,
22 but we have gained them back, paid up subscribers at the
23 \$7.50 rate, and the advertising revenue is about double
24 and we have published six issues this year. All this
25 has been done with the help of the Canada Council's
26 goodwill of a great many private citizens who have
27 subscribed \$15,000, which made a very nice contribution
28 to the magazine.

29 We are quite confident now if we could spend
30 a little money on promotion - which was never done in



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2 the past at all - we could probably be in the black by
3 the end of 1961, which is quite a credit to achievement
4 in Canada. However, there is never enough money to do
5 a big promotional job but, as Mr. Arthur says, we never
6 lose subscribers. In the past year every time I mention
7 the Canadian Art magazine and every time I show a copy
8 I usually sell between 10 and 100 subscriptions that night.
9 I am a real huckster. I feel we would have a much wider
10 audience if they knew of the existence of these magazines.

11 THE CHAIRMAN: What class of people subscribe?
12 Do you go sometimes to farmhouses? Would you go to
13 people living in the country, or is it mainly in the
14 cities?

15 MR. JARVIS: Very definitely we would go to
16 the people in the country; we get our magazine into the
17 hands of a great many teachers - and not just art
18 teachers - all over the world. This is one of the most
19 wonderful ways; we go all over Canada. There are very
20 handsome paintings in these magazines, and to put a copy
21 of a magazine into the hands of a teacher is very impor-
22 tant, and we do reach a very wide readership.

23 THE CHAIRMAN: Thank you, sir. Did you
24 describe here the aims and objectives of Canadian Art;
25 what really are you trying to do for Canada with Canadian
26 Art? How would you put it?

27 MR. JARVIS: We are trying to inform the widest
28 Canadian public on the subject of painting, sculpture,
29 the graphic arts, and we are trying to put it into class-
30 rooms and we are trying to communicate across this wide



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2 country what is happening in this field, and there is
3 one nice story which I can tell you; we ran a profile a
4 couple of years back on a Montreal painter with about
5 ten of his illustrations, and every one of the paintings
6 illustrated in the magazine was sold, and we immediately
7 went to him and said, "Do you still have that one? May
8 I buy it?" and he sold it, but we don't pretend to be
9 in the business of selling paintings for the Canadian
10 artists, but we do publish their works.

11 We just brought out a special issue, and one
12 of our special issues this year is on architecture, the
13 monthly official journal of the Royal Architectural
14 Institute, because we think we need important architec-
15 tural criticism on the Canadian scene, and you probably
16 recognise the title of an article written by Professor
17 William Hillman, who offers some interesting criticism,
18 and you may look at this if you want to follow it
19 through.
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2 We feel we are doing an extremely valuable job on the
3 Canadian scene. We feel -- and I can say this quite
4 shamelessly -- this is as beautiful a magazine as
5 exists in the world. We feel it is probably the most
6 handsome projection of Canada we can make. The Department
7 of External Affairs buys sixty copies of this -- one
8 for each of our missions abroad, and it is my experience
9 from travelling abroad that the first secretary never
10 passes it on for the ambassador to see it. Certainly,
11 the nationals in any given country don't see it because
12 it is not in the libraries; it is on the coffee table
13 of the first secretary.

14 We would like to submit the idea that federal
15 aid could serve a doubly useful purpose if the Depart-
16 ment of External Affairs would buy substantial numbers
17 of these cultural publications for distribution abroad,
18 and at least 1500 copies would be needed to meet
19 the Department's minimal potential circulation. Purchase
20 of the magazines by the Government would help to bring
21 down the unit cost of publication and it would, at
22 the same time, provide the Canadian Government with
23 a remarkably inexpensive way of projecting Canada's
24 cultural achievements throughout the world.

25 THE CHAIRMAN: I am interested in that. I
26 don't know if you know, but I think the Ottawa Journal
27 is the only Canadian newspaper sent to all the embassies,
28 but I was a bit stunned last year when I was asking
29 the ambassador for Rome if he ever saw it, and he said,
30 no, all the secretaries grabbed it up and took it home



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2 because they are anxious to read the sports page.

3 Apart from these things, what else could be
4 done -- what could be done to help you? I am tremendously
5 interested in this thing; what could be done to
6 help you pay your way, for example, and get this paper
7 a wider circulation in Canada? Have you any competition
8 from outside?

9 MR. JARVIS: No, this is not a worry at all.
10 In fact, the more magazines that come into Canada, the
11 better, as far as we are concerned -- the more cultural
12 magazines. This is making the Canadian people more
13 cultural, and they will then want our magazine. Our
14 main problem is finding inexpensive resources to publicize
15 ourselves and build circulation.

16 THE CHAIRMAN: There are no rich angels in
17 Canada who would be interested in this?

18 MR. JARVIS: Thank heaven there are, yes.
19 It is the rich angels who have helped us.

20 THE CHAIRMAN: Is this true of other publica-
21 tions -- we will take the Tamarack Review; we have
22 heard a great deal about it. What is its difficulty,
23 do you know?

24 MR. ARTHUR: I am not too tremendously
25 familiar with their problems, but I believe they have
26 received Canada Council assistance.

27 THE CHAIRMAN: Right.

28 MR. ARTHUR: We have in making this submission
29 consulted with them and asked them -- all the people
30 who have supported this have been consulted and asked if



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2 they want to add anything. We feel if the cultural
3 magazines must stand on their own feet as far as they
4 can, there is no point in producing literary or art
5 magazines if people are not going to read them, but our
6 history proves that people, once they are introduced
7 to them, do read them and buy them to support them.
8 Further assistance I don't think it would be fitting'
9 for us to request. I think the four points we have made,
10 purchase of copies by External Affairs for their
11 libraries, the use of second class mailing privileges
12 by which promotional pieces could be sent at two cents
13 a pound instead of two cents each, and the exemption
14 from the sales tax. It seems to me for a non-profit
15 organization to be paying that tax is not consistent.
16 Also, the use of these addressograph plates -- these
17 direct mail facilities of the Federal Government.
18 If this could be granted or recommended, and could be
19 made effectual, I think the cultural magazines of this
20 country have a good, strong future.

21 THE CHAIRMAN: Gentlemen, I have made myself
22 almost a bore to my fellow commissioners talking about
23 the little magazine. I am personally thankful for this
24 brief which will be accepted by this commission as
25 part of the record.
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SUBMISSION BY

THE SOCIETY FOR ART PUBLICATIONS

This submission - which is participated in by most of the important cultural magazines in Canada - has been written from the point of view which results from a deep and abiding concern for the health of the arts in Canada and an equally deep and abiding conviction - which we trust is now beyond dispute - namely, that the appreciation of the arts by the greatest number of Canadians is absolutely essential to the future development of this country as a nation.

Canada has always been a victim of its geography. The fact that artists of all kinds may be separated from each other and from their audiences by thousands of miles makes the need for a healthy, strong and vigorous cultural press even greater. When one compares the relative facility enjoyed by Europeans, for example, in participating in the cultural activities of their respective countries, it becomes obvious that in Canada, where such participation is made virtually impossible by vast distances between centres, some substitute for this direct form of participation must be encouraged. This responsibility has been discharged by the cultural magazines for some years now. As a result of the, in our opinion, totally inadequate coverage given to art, literature and music in the popular press, the cultural magazines provide, in effect, the only serious forum of communication between the artist and his public. Moreover, they give Canadians



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2 a serious and well-balanced view of an indigenous
3 creativity of which they would have every reason to be
4 proud - were it only possible to bring it to their
5 attention. If a sense of national consciousness,
6 or purpose, is ever born in Canada, its realization will,
7 in large measure, have resulted from the stimulation
8 provided by these periodicals.

9 And yet the problems which confront these
10 magazines are becoming more pressing every year. Forced
11 by constantly rising costs and a consequent inability
12 to compete with the ever more insistant claims made upon
13 people's leisure time by television and the mass
14 circulation media, they only stay alive by virtue of
15 having largely unpaid staffs, and by donations from
16 public and private sources. In the face of rising costs
17 their circulations stay more or less static for lack
18 of any ability to stimulate an increase in their number
19 of subscribers.

20 Your petitioners, however, do not hope for re-
21 lief by looking with envy upon the success of other
22 periodicals. Quite the reverse, We can see nothing
23 but benefit accruing to the people of Canada arising out
24 of their subscribing to such magazines as Domus,
25 The Architectural Review, L'Oeil, The Connoisseur,
26 Graphis, The Studio, Encounter, The Paris Review, The
27 Atlantic Monthly, Art News, to name only a very few.
28 Furthermore, we cannot see how the imposition of taxes
29 or any other protective measure on any foreign periodicals
30 would assist in the enrichment of our cultural life.



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2 We take it for granted that competition is the essence
3 of a free society and that such competition is not only
4 legitimate but highly desirable.

5 Instead, your petitioners look to the commiss-
6 ioners to recommend measures to the Government of
7 Canada which, while not harming the legitimate interests
8 of anyone, would, if implemented, go far to relieve
9 the situation now facing this important segment of
10 Canadian periodical publishing.

11 Our proposals concern the problems of maintain-
12 ing and increasing the circulations of these cultural
13 periodicals. As a result of their inability to stimulate
14 a rise in the number of their subscribers, for reasons
15 that will soon be apparent, their circulations remain
16 more or less limited to the circles of the already
17 convinced and, therefore, cannot possibly perform the
18 educational job for which most of them were designed.
19 Promotion is one of the most expensive aspects of period-
20 ical publishing today, and while it is not likely
21 that any of the participants in this submission are
22 ever likely to be able to afford to advertise themselves
23 as effectively as the mass circulation media do -
24 and without wanting to express anything so heretical
25 as a desire that they should - we nevertheless feel
26 that there are a variety of areas in which the Govern-
27 ment of Canada could demonstrate in a concrete way the
28 importance it attaches to what these magazines represent,
29 by granting:
30



- i) Exemption from the 11% federal sales tax
- ii) The substitution of second class mailing privileges for those now obtaining for the mailing of promotional literature
- iii) The use of government-owned mailing systems to promote cultural magazines

i) Exemptions from the 11% Federal Sales Tax is desirable not only for the production of the periodicals (in which they are already exempt), but for promotion as well. Relief from taxation on production is small comfort indeed if there is taxation on the means of bringing this production to the attention of the public. This taxation is doubly onerous as it serves merely to reduce by 11% the value of grants and donations received by the non-profit organizations which publish these periodicals. We therefore propose that the periodicals should be exempted completely from this tax.

ii) The cost of postage is, more than any other factor, what prevents these periodicals from being able to advertise themselves adequately. Assume that a magazine is able to take advantage of an offer to circularize 50,000 names. A modestly handsome mailing piece will cost about 1¢ each, but the postage will add 2¢ (or \$1,000) to this cost. This of course is sufficiently prohibitive to be completely preventive - particularly as more than one mailing may be required in order to guarantee a reasonable return. Inasmuch as a reasonable return is from one to two percent, it may



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2 be argued that this is a wasteful method of stimulating
3 circulation. It is, however, the one mainly used with
4 greatest success by the mass circulation media and is
5 at present, for the reasons given, beyond the budget of
6 cultural magazines in this country. We therefore
7 propose that some method of reducing postage expenses
8 be found to enable these magazines to promote themselves
9 adequately. (One suggestion would be to allow them to
10 use, under special licence, second class mail - at
11 2¢ a lb. - for the mailing of such promotions).

12 iii) The federal government, through its
13 agencies such as the Printing Bureau in Hull, possesses
14 several hundred thousand Addressograph and Speedaumat
15 plates which it uses to advertise its own publications
16 to households throughout Canada. The mind boggles at
17 the possibilities for cultural enlightenment if the
18 government felt that it was worth while to put the
19 resources of this enormously efficient department to the
20 task - once or twice a year - of bringing these
21 magazines to the attention of the thousands of people
22 who do not know about them, but whose lives would be
23 enriched by this knowledge.

24 iv) We further submit that federal aid could
25 serve a doubly useful purpose if the Department of
26 External Affairs would, from its own vote, buy substantial
27 numbers of these cultural publications for distribution
28 abroad. (At least 1500 copies would be needed to meet
29 the Department's minimal potential circulation.)
30 Purchase of the magazines by the government would help



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2 to bring down the unit cost of publication and it would,
3 at the same time, provide the Canadian government with
4 a remarkably inexpensive way of projecting Canada's
5 cultural achievements throughout the world.

6 Inasmuch as our proposals call for aspects of
7 governmental assistance, there arise two questions:

8 the first is, Can the concessions requested
9 in this submission be acceded to on behalf of the
10 cultural magazines only and not be, in fairness, extended
11 to the periodical press as a whole? While the terms
12 of reference of this submission, as has already been
13 stated, are exclusively concerned with the welfare of
14 the nation's cultural periodicals, it should be stated
15 that it is our conviction that if the people of Canada
16 (taking into account the relative smallness of our
17 population) wish to have a vigorous, independent period-
18 ical press at all, it must, like other things, be paid
19 for in some way.

20 the second is, Should the Government of
21 Canada become involved in the arts, and, if so, would
22 not such involvement represent a serious loss of inde-
23 pendence by the arts? To this we would say that the
24 Government, through its agencies, is already so involved
25 and that no particular loss of independence has ensued.

26 Your petitioners are fully aware that in this
27 submission discussion has deliberately been restricted
28 to a single aspect of what is in itself but a single
29 aspect of Canadian periodical publishing. It is fully
30 realized by the participants that other, larger,



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3 periodicals have other, presumably larger, problems
4 with which the commissioners will have to deal.
5 Nevertheless, your petitioners humbly request you to
6 consider their proposals as ones which are dictated
7 neither by envy of other people's well-deserved success
8 nor by the desire for protection from other people's
9 achievements.

10 This submission has the support of the following
11 publications:

12 The Fiddlehead,
13 Fredrickton, New Brunswick.

Vie des Arts,
Montreal, Quebec.

14 The Canadian Music Journal,
15 Toronto, Ontario.

The Canadian Forum,
Toronto, Ontario.

16 Prism,
17 Vancouver, B.C.

Tamarack Review,
Toronto, Ontario.

18 Canadian Commentator,
19 Toronto, Ontario.

Canadian Literature,
Vancouver, B.C.

20 Culture,
21 Quebec City, Quebec.

Canadian Authors Association
Toronto, Ontario.

22 Liberte 60,
23 Montreal, Quebec.

Canadian Art,
Ottawa, Ontario.

24 COMMISSIONER JOHNSTON: This matter of the
25 exemption from the 11% Federal Sales Tax: what stage
26 does that apply to -- on the completed book?

27 MR. ARTHUR: No, sir; the 11% sales tax
28 does not apply to the production of the magazine --
29 the plates, type-setting, the binding, and so on.
30 It applies to the mailing piece sent out and the box
or envelope we put in. It applies to every other single



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2 thing we buy, apart from the actual production of the
3 magazine.

4 COMMISSIONER JOHNSTON: It is going to be
5 pretty hard to explain to the Department about the
6 exemption, because they will argue about the difficulty
7 with administration, which would not make it worth while.

8 The second class mailing privileges: do
9 you get that now?

10 MR. ARTHUR: No, I think post cards and
11 promotion pieces go out third class which is more expen-
12 sive than second class.

13 COMMISSIONER JOHNSTON: Correct.

14 MR. ARTHUR: Second class privileges entitle
15 you to send things out at two cents a pound, and we
16 are proposing our mailing goes out on the two cents a
17 pound rate rather than two cents each. If we send
18 out ten thousand or one hundred thousand mailing
19 pieces, postage at two cents each amounts to \$2,000
20 which no cultural magazine has to spend. In a year
21 that is what we spend on our stationery, and so on.

22 COMMISSIONER JOHNSTON: How would the Post
23 Office Department differentiate between your magazine
24 and the promotional material for, say, Canadian Homes?

25 MR. ARTHUR: We have made it clear in our
26 brief that if it is necessary not to be making distinc-
27 tions then we are concerned here about the cultural
28 magazines, and if no distinction could be made, then
29 one might read out of our brief that this ability to
30 use second class mailing privileges should be extended



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2 to all magazines. But, I think the distinction is that
3 all those who support this are non-profit organizations,
4 and I don't suppose the others are.

5 THE CHAIRMAN: You are asking this be done
6 for all magazines, and you will come in under that?

7 MR. JARVIS: That was our general submission.

8 COMMISSIONER JOHNSTON: It seems to me I
9 have heard the chairman talk about the amount of
10 promotional material that comes to his house: just
11 think what a flood there would be if it were at two
12 cents a pound instead of two cents each.

13 MR. ARTHUR: I think this is a problem which
14 extends to all magazines. I must say we are concerned
15 with the problems of the cultural magazines, but when
16 you think of the lavish things other magazines do,
17 the keeping of subscribers and the increasing of
18 circulation is definitely done by promotion.

19 COMMISSIONER JOHNSTON: Well, I am already
20 a subscriber to Tamarack, and Mr. Jarvis has also sold
21 me a subscription.

22 THE CHAIRMAN: Well, thank you both, gentlemen,
23 very much.

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SUBMISSION BY

DR. CLAUDE BISSELL ON

BEHALF OF THE CANADA COUNCIL

APPEARANCES:

DR. CLAUDE BISSELL, President of the University
of Toronto & Chairman of
the Canada Council.

DR. ALBERT TRUMAN, Director of the Canada
Council.

MR. BISSELL: Mr. Chairman, my name is
Claude Bissell, and I am chairman of the Canada Council
and I also have another job which is not strictly
relevant to this presentation. I am accompanied by
Dr. Albert Truman who is a director of the Canada Council
and who can speak more specifically on some questions.

I would like to express some very general
comments. What I am going to say does not necessarily
carry with it the full endorsement of my colleagues
on the Canada Council, since the Canada Council is a
body consisting of twenty-one members and we are
not always unanimous on the problems we have before us.

Most of these matters I wish to refer to --
and I shall speak very briefly; I shall simply
recapitulate the official policy as formulated during
the past three years, and the general remarks I make
will be in line with that policy but may from time to
time bear a certain personal imprint.

I think possibly I may begin by establishing
the reason why it is appropriate for the Canada Council



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2 to make this informal presentation. You will recall
3 by the Canada Council Act we were established for the
4 encouragement of the arts, humanities and social sciences.
5 The Act then goes on to define the arts, apparently
6 on the assumption the humanities and social sciences
7 are of a precise and specific nature. The arts are
8 defined as being inclusive of architecture, the arts
9 of the theatre, literature, music, painting, sculpture,
10 the graphic arts, and other similar creative and
11 interpretative activities. For all of these activities
12 it is obvious periodicals magazines have very specific
13 relevance. Indeed, next to books, and sometimes on
14 a par with books, they are the major media by which
15 these various arts are communicated to the society.
16 Also it is a periodical and magazine that very frequently
17 gives the day to day leadership in the development of
18 a cultural movement and provides the background from
19 which more major works may appear. For some particular
20 types of literary expression, for the short story
21 and poetry, and for the scholarly article, the periodical
22 is perhaps the only medium which exists. That is
23 particularly true of poetry because even a magazine
24 which will publish fiction of a high degree of artistic
25 integrity will not publish modern poetry. As a
26 matter of fact, the only popular magazine I know which
27 publishes modern poetry in the full sense of that
28 word, is, perhaps, the New Yorker. That may be a rash
29 statement.

30 We have a natural interest in periodical



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2 literature and I would make the point the kind of
3 periodicals we are concerned with are periodicals
4 which by their very nature can't possibly be a commercial
5 success. Like education they seem to flourish on
6 deficits. They are caught up in a circle which is
7 tight but not necessarily vicious -- that is, to
8 increase their revenue they must increase their advertis-
9 ing, but to increase their advertising might jeopardise
10 the very goal they have in mind. In other words,
11 by their very nature they are concerned with a fairly
12 limited and restricted group of readers, so it is
13 impossible for most of them to contemplate the possibility
14 of breaking even. We have just seen in the last
15 presentation this is not beyond possibility. We have
16 heard Mr. Jarvis and Mr. Arthur suggest that in a
17 year or so the Canadian Art, which is a cultural maga-
18 zine in the full sense of the word, may possibly emerge
19 into the black. I don't know whether Dr. Truman would
20 agree with me, but from long and somewhat bitter
21 experience we have some modest doubts about that.
22 It is true there are always possible shifts between
23 those two areas -- the media of magazines which appeal
24 to a limited group, and those concerned with a larger
25 audience, and we welcome the shifts from the one area
26 to the other. Given these two points the Canada Council
27 has primary interest in such magazines. ~~and so~~
28 By their particular nature they can't hope to survive
29 financially, and I think the question of subsidy
30 emerges as the only solution to their problems. I might



1
2 say this is a solution which is not by any means
3 exclusive to this country. I suspect it exists also
4 in the United States and in the United Kingdom. These
5 magazines require subsidy in the same way that opera
6 and ballet and theatre require subsidy in this country
7 because we look upon them as being the very essence
8 of our national well being. By reason of the tremendous
9 cost of production and inadequate audience they are
10 incapable of meeting the budget. So, the principle
11 of subsidy is introduced here legitimately and, indeed,
12 is the only means of maintaining the existence of
13 this kind of activity.

14 I would like to summarize the record of
15 the Canada Council in this area. I would be the first
16 to admit, and I think Dr. Truman would too, that some-
17 times the criteria are perhaps a little shifting and
18 flexible and difficult to describe precisely. But,
19 this is the policy as it has emerged:

20 In the area of major subjects of humanities
21 and social sciences assistance be confined
22 to non-profit, learned journals which
23 are published by associations of scholars,
24 in which membership is either national
25 or at least widely representative of
26 one or other of the two major languages,
27 French and English. This policy would
28 eliminate university quarterlies which
29 can rely for a certain amount of modest
30 subsidy on the universities. It would



1
2 eliminate journals published by a faculty
3 or department because they are not
4 national in scope; for house organs --
5 would eliminate periodicals which are
6 obstrusively and patently the organs of
7 one particular point of view. The phrase
8 that has been used is "Journals of
9 opinion" which is perhaps an unfortunate
10 phrase because no journal, as you are
11 well aware, is worth its weight unless
12 it is a journal of opinions. We would
13 also eliminate magazines which deal with
14 specialists fields such as philatelists.
15 That is the first general area in which
16 we operate.

17 The second is assistance is provided
18 for a very few periodicals in the area
19 of the humanities and social sciences,
20 including for this purpose literature
21 not published by the same types of
22 associations -- that is, not having the
23 same sort of national aspect as those
24 indicated in section 1, but nevertheless
25 performing services which we think in
26 our wisdom should be recognized.
27
28
29
30



1 We have so far excluded from this group the so-
2 called little magazines on the general philosophical
3 assumption that is bad for them to be subsidized,
4 that they exist by their native vitality and
5 that subsidy might kill the full bloom of their
6 whole creative life. We subsidized magazines which
7 gave some evidence of permanence and at the same
8 time some evidence of quality, magazines such as
9 the Tamarack Review to which reference has already
10 been made.

11 In the third area we give subsidy to a
12 small number of journals dealing with the arts and
13 having either national circulation or wide circulation
14 among one or other of the major language groups.
15 We give this support only to journals which have
16 a national circulation. In giving our support we try
17 to relate it to certain specific concepts. First of
18 all, that the sums may be used to make special
19 editions for the purchase of copies for distribution.
20 That is, distribution of copies to the Embassies.
21 Sums to assist in publication of extra copies
22 or in other ways for the purpose of advertising the
23 journal and extending its circulation. Also sums to
24 assist in the general cost of publication, including
25 better payment to writers to be calculated on evidence
26 supplied in each individual application.

27 Finally, no assistance will be given to
28 establish new journals. We must have some indication
29 that the journal has come into existence and has
30



1
2 some likliehood of maintaining that existence.

3 Since coming into existence and we are
4 now about to complete our fourth year, the Council
5 has provided in its four budgets a sum of approximately
6 \$150,000 for assistance to periodicals and I might
7 just mention a few:

8 Canadian Art, Canadian Music Journal,
9 Fiddlehead, Tamarack Review, Phoenix, Canadian
10 Geographer, Canadian Geographic Journal, Anthropoligica,
11 Ecrirts du Canada, Emourie, La Vie Des Arts, Sequences,
12 Culture and Liberte 60 which is to be distinguished
13 from Liberty.

14 This is the complete list of magazines that
15 we have so far given some subsidy to.

16 It will thus be seen that the Canada
17 council is not concerned with what I take to be
18 the main issue, the issue of competition. As Mr.
19 Jarvis and Mr. Arthur pointed out, the element of
20 competition does not enter into this area where all
21 periodicals are, to a large extent, on the same basis.
22 However, I would be anxious to point out to you and
23 your fellow commissioners, and here perhaps I am speak-
24 ing more for myself, although I have discussed this
25 with Dr. Truman, the Canada council is not indifferent
26 to the vitality of what we might call the popular
27 periodical press, the so-called popular periodical
28 press. Although our own work must be confined to
29 this specific area and I think we would be unwise
30 to move beyond it, we take no satisfaction in



1 our comparative isolation from these vexatious
2 questions. The Canada council has no desire to
3 construct a barrier between a group of elite
4 magazines and a group of popular magazines. The
5 role in this Country of the magazine which strives
6 for a broad popular audience is tremendously
7 important and we rejoice when these magazines
8 achieve popularity while maintaining good standards.
9 If these national magazines are widely known and
10 eagerly read they will help to create a public
11 for the periodicals of a more academic and
12 esoteric nature.

13
14 Also, several of your witnesses have
15 pointed out these magazines provide the essential
16 financial support for writers because the little
17 magazine is, shall we say, not a very substantial
18 basis for the economic life of the writer. We
19 would be chagrined to see a situation develop where
20 the only magazines existing in Canada were the
21 subsidized ones.

22 We are not in a position to make
23 recommendations upon the technical problems that
24 have been raised but we would simply join with
25 others in urging that whenever action is taken it
26 will not result in the damming up of the free flow
27 of ideas. In a sense Canada is in a fortunate
28 position because, although we are subjected to some
29 of these embarrassments that arise from a multiplicity
30



1
2 of periodicals, in no country do you have such a
3 cornucopia of reading. Nevertheless, there is no
4 threat to the free flow of ideas in the insistence
5 that any economic disabilities now suffered by
6 Canadian periodicals with respect to their American
7 contemporaries should be removed. I think we need more
8 than anything else action in this field. We need
9 some positive action by Canadian business. A deliberate
10 policy of advertising in Canadian periodicals, if
11 adopted by our business leaders would help to solve
12 the problem. We would be sceptical of it, and here
13 is a point I want to emphasise, that we do not think
14 the solution rests in the extension of the principle
15 of subsidy especially if Canada council is looked
16 upon as a medium for expanding that subsidy. To
17 move beyond these areas would make the Canada council
18 an economic, not a cultural, agency and would involve
19 us in hopeless problems of discrimination. Besides,
20 I would remind the advocates of this principle of
21 expanded subsidy that the Canada council really
22 has a very modest yearly income and with tha income
23 we can grant only a small porportion of the legitimate
24 requests that come to us. Dr. Truman is only too
25 well aware of this.

26 I would like to conclude on a more
27 positive note by referring to a point made by my
28 colleague, Mr. Jeaneret. I am now speaking in
29 terms of the University of Toronto about the need
30 in this Country for some means of drawing to our



1
2 attention and the attention of those outside to
3 the resources that we have in really distinguished
4 scholarly publications. There is a simple device
5 by which these periodicals could be made known,
6 a device simply of publishing a brochure which would
7 draw attention to the availability of these
8 publications. I think Canadians are not aware of
9 the extent and excellence of the first class work
10 that goes on in scholarship and in the arts. Many
11 of the bitter outcries about our cultural poverty
12 are simply bleats of ignorance. I think that we
13 have gone to great lengths to establish a non-
14 intellectual image before the world and it is
15 about time we began to refurbish it.

16 THE CHAIRMAN: Dr. Truman, have you anything
17 to add?

18 MR. TRUMAN: No. I am quite content to
19 help in any way I can.

20 THE CHAIRMAN: I was astonished to see you
21 are contributing to these scholarly magazines or
22 little magazines or intellectual magazines at the
23 rate of \$135,000 a year.

24 MR. TRUMAN: That would be very close
25 to it.

26 THE CHAIRMAN: And you are living on the
27 interest of \$50,000,000, are you not?

28 MR. TRUMAN: Yes, about \$52,000,000 --
29 I am happy to say the value of the fund is increasing.
30



1
2 THE CHAIRMAN: So you have about \$250,000
3 a year income?

4 MR. TRUMAN: We have about \$2,900,000
5 in this current financial year.

6 THE CHAIRMAN: What are the main calls?

7 MR. TRUMAN: I think it is easier to
8 explain it in this way: We spend about \$1,000,000
9 to \$1,100,000 on a scheme of fellowships and
10 scholarships; about 75% goes to the academic side
11 of things to representatives of the humanities and
12 social science and about 25% to art of all kinds.
13 That is \$1,200,000. We spend about \$1,100,000 again
14 on organizations representing the arts. This is the
15 way we make up for the fact they do not get as much
16 in the fellowships and scholarships budget. This
17 goes to orchastras, theatre, opera, ballet and so
18 forth. Then, we have a smaller and more modest sum
19 which might run to \$200,000 or \$300,000 a year
20 which goes to organizations representing the
21 humanities and the social sciences. They are
22 obviously not so well organized as the rest, they
23 have not such a multiplicty of organization in
24 general terms.

25 We have the promotion of Canada abroad;
26 we have helped to maintain the secretariat for
27 UNESCO and we make a modest grant to the administrative
28 expenses giving us a total expenditure of about
29 \$100,000 a year for UNESCO.
30



1
2 THE CHAIRMAN: Do you do anything for
3 small libraries in remote parts of the Country?

4 MR. TRUMAN: We have found it impossible
5 to do what seems to be a natural thing to do. All
6 kinds of libraries would like us to buy books
7 for them but the size of the category is so
8 enormous that we could not get into it without
9 being swamped. We have made one or two library --
10 at least, we have helped the Canadian Library
11 Association and we did establish a pilot project
12 for a library in the Province of New Brunswick,
13 agreeing to do this for a neighborhood of the
14 Province and we would do it for any other Province
15 where any such demonstration had been held. We
16 found out in advance, of course, that there were
17 only three other Provinces where it was necessary.

18 THE CHAIRMAN: Do you get many requests
19 for that sort of thing?

20 MR. TRUMAN: We have had many feelers
21 but we have made it pretty well known now that we
22 do not buy books for people on the grounds that
23 the category of applications would be so enormous.
24 All kinds of orchestras would like to have a new
25 tympany or a new piccolo.

26 THE CHAIRMAN: Do you do anything for the
27 ballet?

28 MR. TRUMAN: Yes, a lot; in fact, I think
29 sometimes too much.

30 THE CHAIRMAN: What happens in the United



1
2 Kingdom? How do we compare with the United
3 Kingdom in assistance to the arts?

4 MR. TRUMAN: Well, the organization there
5 is the Arts Council of Great Britain which goes
6 to Parliament for an annual appropriation. I
7 cannot give you the exact figure but the last
8 one was somewhere in the order of 1,300,000 pounds
9 or 1,400, -00 pounds.

10 THE CHAIRMAN: Per capita expenditures
11 would be greater than ours?

12 MR. TRUMAN: I will have to figure that
13 out. This covers fifty million people and I do
14 not know that the per capita expenditure is larger.
15 However, there is the distinction that they are
16 confined solely to the arts, they do not have the
17 humanities and social sciences and they do not
18 maintain a scholarship and fellowship program.
19 They do not have the UNESCO thing to finance.

20 THE CHAIRMAN: Would you mind telling
21 me what you do for UNESCO? How does this work?

22 MR. TRUMAN: We were asked by the Governor
23 General in council to establish the national
24 commission for UNESCO and this we did. We drew
25 up by-laws and a constitution and got organizations
26 and individuals to go and establish this thing.
27 The council is represented by three people, one of
28 whom is usually the president of the commission.
29 The social director is the full-time secretary
30 of the commission for UNESCO and we have an office



1
2 with three or four people working on this constantly.
3 We have given them grants, I believe of \$30,000
4 to \$40,000 a year for which they have found a
5 use in the promotion of the work of UNESCO. They
6 have given other organizations \$3,000 or \$4,000 to
7 carry out a proper program. I am not myself closely
8 connected with this.

9 THE CHAIRMAN: Do you just give them a
10 lump sum?

11 MR. TRUMAN: They present a budget and say
12 what they want this for. This is inspected by the
13 council which is very closely associated with it
14 through these three members.

15 THE CHAIRMAN: You would not mind having
16 another one hundred million dollars from the public
17 treasury a year, you could spend that usefully?

18 MR. TRUMAN: As a matter of fact, we have
19 asked the Government if they would find ways and
20 means of increasing our annual income by a half
21 million dollars. We see now, particularly in these
22 scholarships and fellowships and in relation to the
23 needs of the organizations representing the arts,
24 this would include magazines and so forth right here
25 and now, we feel quite justifiably claims for grants
26 could be made up to an additional \$500,000. That
27 would represent in the terms of the endowment
28 fund something like \$10,000,000 being added to the
29 fund. That is before the Government at the present
30 time.



1
2 THE CHAIRMAN: Before I turn you over
3 to my colleagues I would like to have this repeated
4 in the record. Dr. Bissell said:

5 "Nevertheless, there is no threat to the
6 "free flow of ideas in the insistence
7 "that any economic disabilities now
8 "suffered by Canadian periodicals with
9 "respect to their American contemporaries
10 "should be removed."

11 I think that was a very satisfactory
12 statement from our point of view having regard
13 to some of the claims that we are having made before
14 us day after day that there is some threat to
15 freedom pending by some recommendations we might
16 make.

17 MR. BISSELL: I should say that that is
18 a personal conviction of my own.

19 THE CHAIRMAN: Yes, I used your name.

20 COMMISSIONER JOHNSTON: On the matter of
21 press freedom which is so often misinterpreted
22 I used to think of a story of Mr. Hearst who
23 interpreted "freedom of the press" as meaning that
24 one of his circulation trucks could drive through a
25 red light with impunity.

26 DR. TRUMAN: I wonder if you would not do
27 a better job for the Country if you are kept poor
28 so your selection of grants would have to be much
29 more carefully made if you had no money to spare,
30



1 no additional money.

2
3 MR. TRUMAN: This hypothetical situation
4 which you suggest is one that I maintain we now
5 find ourselves in.

6 COMMISSIONER JOHNSTON: Personally I
7 hope you stay there. That is all.

8 COMMISSIONER BEAUBIEN: I would just like
9 to suggest with all due respect to my colleagues,
10 if you get more funds or were offered more funds from
11 the government let's say, those funds should be
12 earmarked for scholarly publications, would you take
13 on the job willingly of distributing those funds to
14 the various scholarly publications in Canada and act
15 as an agency to do so?

16 MR. BISSELL: If I might speak for myself,
17 I do not think we would be happy to have funds
18 assigned to us on an earmarked basis. We would rather
19 do the earmarking ourselves. Of course, we would be
20 very happy to develop assistance to scholarly
21 publications which we now do on the basis I have
22 outlined.

23 COMMISSIONER BEAUBIEN: Well, we are
24 concerned here with publications so we could not
25 ask the Government to give you a certain amount of
26 money which you can spend any way you wanted because
27 our recommendations, the terms of reference, concern
28 only publications.

29 MR. BISSELL: I should think our recent
30



1
2 application to the Government where we asked for the
3 further \$500,000 a year, certainly it would be
4 part of our policy in the natural course of things
5 to use a portion of that for the subsidy of learned
6 and scholarly magazines. That is an established
7 policy and one in which we take great pride.

8 MR. TRUMAN: I would not want the
9 Commission to think my reply was flippancy to this.
10 I would go so far as to say that it is perfectly
11 true -- perhaps the Chairman will not agree with
12 me -- but an organization such as ours ought perhaps
13 to have a little less money than it can dispense
14 because, as you truly said, this will sharpen the
15 examination of all grants and will always keep us
16 in hand. This delightful principle leaves us with the
17 determination of precise sum.

18 THE CHAIRMAN: Thank you very much,
19 gentlemen. We will now adjourn until 2.15.

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22 ---Luncheon recess.
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2 --- On resuming at 2.15 p.m.

3 SUBMISSION OF THE UNIVERSITY OF WESTERN ONTARIO

4 Appearance: Mr. J.L. Wild, Professor and Head,
5 Department of Journalism.

6 THE CHAIRMAN: Mr. J.L. Wild, University of
7 Western Ontario.

8 MR. WILD: I am J.L. Wild, Professor and Head,
9 Department of Journalism, University of Western Ontario,

10 Gentlemen, I want to thank you for inviting me
11 to appear to express my views on the matters you have
12 been examining so exhaustively for the past several weeks.
13 These observations are my own and are not an official
14 position of the University of Western Ontario or the
15 Department of Journalism, although I have consulted my
16 colleagues on the faculty at length on these matters.

17 I think you should know that for the past 12
18 years I have been a part-time correspondent for TIME and
19 LIFE and that in the summer of 1948 I spent three months
20 in the editorial offices of FORTUNE in New York. I have
21 not discussed the work of this Commission with anyone at
22 TIME inc., nor have I discussed the general magazine
23 situation in Canada with anyone there for many months.

24 You have already received weighty briefs,
25 pregnant with statistics, outlining the economic position
26 of Canadian periodical publications. Some of these have
27 indicated that the situation is so desperate that many
28 Canadian magazines face imminent extinction. Others
29 suggest there is no real problem at all. I have nothing
30



1 to add to the mass of material already laid before you on
2 this question, except to observe that my suspicion of
3 extremes leads me to suggest that the truth lies some-
4 where between the sanguine and the forlorn.

5
6 The 'Canadian' editions of foreign magazines
7 have been cited as a major factor contributing to the
8 difficulties in which Canadian periodicals find them-
9 selves. It is said they provide unfair competition,
10 taking each year some nine million dollars in advertising
11 revenue which might otherwise go, at least in part, to
12 Canadian magazines. It has been strongly implied that
13 the "Canadian" editions of foreign magazines should be
14 eliminated either by taxation or by embargo. This would
15 seem to some the simplest, most direct and most immediate
16 step likely to benefit Canadian periodical publishing
17 economically.

18 Were we dealing with automobiles, or cigarettes
19 or electrical appliances, the task of the Commission would
20 be easier. But we are dealing with affairs of the mind,
21 with the free flow of information in a society dedicated
22 to that freedom. It matters little whether these
23 "Canadian" editions are biased or objective, whether the
24 economic competition they present is fair or unfair.
25 More than a million Canadians choose to buy them, and
26 presumably read them. It seems to me a grave matter
27 indeed to decree, 'thou shalt not read this', whether it
28 be for economic reasons or for political purposes.

29 Another factor disturbing to Canadian magazine
30 publishers is the wide circulation in Canada of a great



1 number of American magazines, taking up some 25 million
2 dollars a year in Canadian circulation revenue. Here,
3 again, a tax or embargo on these American magazines
4 would have the effect of forcing some hundreds of thou-
5 sands of Canadians to stop reading these periodicals and,
6 perhaps, to buy Canadian magazines. This, in my opinion,
7 would constitute an infringement by government of the
8 right of the individual to choose his own reading matter.
9

10 The idea of direct government subsidy for
11 Canadian magazines seems to be repugnant to almost
12 everyone who has appeared before you. The dangers of
13 such a practice are too apparent to merit further explora-
14 tion as far as commercial magazines are concerned.

15 Yet there is one area of periodical publication
16 in Canada in which direct subsidy might be worthwhile.
17 Canada has been well served by its learned journals,
18 usually published under financial difficulties, edited
19 by dedicated men who reap little tangible reward for
20 their efforts. Scientific research and scholarly
21 research in the humanities and social sciences are
22 increasing rapidly in this country. Unless there is a
23 corresponding increase in the number of scientific and
24 academic journals much of this valuable work will not
25 get the attention it deserves.

26 I suggest that the Federal Government make
27 further funds available, through Canada Council, the
28 learned societies, the universities and perhaps other
29 non-profit institutions for assistance to existing
30 journals and for the establishment of others.



1
2 Canadian magazines are already receiving some
3 indirect assistance, through postal rates and, more
4 recently, the rescinding of the sales tax on paper for
5 publication purposes. It would take someone more
6 learned than I in the principles of taxation to determine
7 whether further relief of this kind is possible. I
8 assume that these avenues are being explored.

9 Now I am not expert in magazine management and
10 the economics of magazine pricing baffles me. When I
11 look over a news stand I find that Macleans costs 15
12 cents a copy, TIME is 25 cents, LIFE is only 20 cents and
13 Chatelaine but 15 cents. The Saturday Evening Post is
14 priced at 15 cents, but Saturday Night is 20 cents.
15 Look costs 20 cents but Liberty only a dime.

16 Reading the deluge of magazine subscription
17 offers that pours into my home and office I am even more
18 confused, for I find that there is a variety of prices
19 for each individual publication. Not only are there
20 one-year, two-year, three-year, even six-year rates,
21 which are perhaps understandable, but I am also
22 confronted by Anniversary offers, Christmas gift deals,
23 special Introductory offers, all at different rates.

24 You were told in the presentation by the
25 Periodical Press Association that in the United States
26 the cost of a page of advertising per thousand circula-
27 tion in the Saturday Evening Post is \$4.20; in Reader's
28 Digest, \$3.02; in TIME, \$5.52. You were also told that
29 in Canada the cost of a page of advertising space per
30 thousand circulation in Macleans is \$6.71; in the



1 combined French and English Canadian editions of
2 Reader's Digest, \$3.73; in TIME, Canada, \$7.96. It
3 seems there is only a casual relationship between
4 advertising rates in various magazines and their total
5 circulation.

6
7 It appears that in magazine pricing there are
8 factors that are not measurable. I believe that there
9 is one such factor that gives our own magazines an
10 intangible but very real advantage over their foreign
11 competition. That is their very Canadianism. If memory
12 serves the so-called "Canadian" editions of foreign maga-
13 zines have been criticised in these hearings because they
14 are not 'Canadian' enough. I suggest that if they were
15 more Canadian in thought and content our own publications
16 would lose this advantage that makes them unique in the
17 magazine field.

18 In 1956, when Parliament enacted legislation
19 imposing a 20 per cent tax on the advertising revenues
20 of foreign magazines carrying Canadian advertising, two
21 such publications continued to publish their 'Canadian'
22 editions, and raised their advertising rates to take
23 care of the tax. During the first full year of the tax
24 the advertising revenues of these two magazines increased
25 by more than five per cent, with a total increase four
26 times as great as that for the eight leading Canadian
27 consumer magazines combined.

28 Now, if I had been involved in the management
29 of these American magazines I should have been driven to
30 the slightly shocking conclusion that I had been under-



1 pricing my product all along.

2
3 The complex economics of magazine pricing
4 looks like something less than a precise science, with
5 a large measure of guesswork and a wide latitude for
6 miscalculation. I suggest that Canadian Magazine
7 publishers may be under-pricing their product, particu-
8 larly under-valuing that unique factor of their Canadia-
9 nism. The Canadian public may be ready to place a higher
10 valuation on Canadian periodicals than they have yet been
11 asked to.

12 In the Financial Post of October 22, 1960
13 there is an article describing the invasion of the
14 highly-competitive machine tool business in the United
15 States by Retor Developments Ltd. of Galt, Ont. Lincoln
16 Magor, president of the company is quoted as saying, "As
17 long as we consider Canada our only market we're going
18 to die. North America is our market."

19 He is quoted further, "There are lots of
20 difficulties but too often I've asked Canadian manufac-
21 turers if they've tried to sell in the U.S. and if they
22 have personally investigated the market. The answer
23 generally is 'no'. They can't afford to be timid."

24 Now, I cannot help but wonder if Mr. Magor's
25 ideas are applicable to the Canadian periodical industry.
26 While we are considering the Canadian magazine market
27 perhaps we should examine the possibilities of a market
28 with ten times the potential. Most Canadian magazines
29 have some circulation in the United States but at best it
30 is of the order of one or two percent of their total



1
2 distribution. I suspect that most of this comes in
3 gratuitously from expatriate Canadians. I raise the
4 question of whether sufficient consideration has been
5 given by Canadian publishers to possible methods of
6 increasing the circulation of certain Canadian periodi-
7 cals in the United States.

8 Examining the past few issues of Maclean's
9 and Chatelaine I found that at least half of the
10 textual material was of such general interest and of
11 such quality that it might well appeal to a broad
12 American readership. Less than one quarter of the
13 material was so Canadian that it would be unlikely to
14 evoke any interest in a foreign reader. At least half
15 the advertising is for brand-name products widely distri-
16 buted in the United States. Such advertising would be
17 applicable in that market for exactly the same reasons
18 that much of the advertising in American magazines is
19 useful in Canadian markets.

20 If we let our imaginary forces work we might
21 even foresee the time when there will be United States
22 editions of some Canadian magazines.

23 At the risk of appearing impertinent I am
24 going to suggest that Canadian magazine publishers
25 might be more positive, more aggressive, more imaginative
26 in meeting some of their problems.

27 I should like to see a preponderance of
28 evidence that Canadian Periodical publishing is indeed
29 in dire straits, a preponderance of evidence that there
30 are no practical avenues of self-help left available



1 before we invite the intrusion of government into
2 Canadian publishing with all of the latent dangers that
3 lie therein.
4

5 Thank you, gentlemen, for your indulgence.

6 COMMISSIONER JOHNSTON: Mr. Wild, tell us
7 about yourself; what did you do before you were a
8 professor?

9 MR. WILD: I was born in London, Ontario, and
10 I began working for the London Advertiser at the age of
11 12. I worked with them part-time through high school
12 and part of college until they were no more. In
13 October of 1936 I then went with the London Free Press.
14 I worked with them part-time through college, and after
15 graduation I went with them as a full-time reporter.
16 During the war I was editor-in-chief of Wings Abroad,
17 the R.C.A.F. weekly, in London, England. I returned to
18 the London Free Press as financial editor for a year-and-
19 a-half after the war, and then I went to the University
20 as a full-time instructor. At various times I have
21 worked for brief periods with the London Daily Mirror
22 and other newspapers in London, and Fortune magazine
23 in New York, but I am not a magazine manager, sir.

24 COMMISSIONER JOHNSTON: As to your relation-
25 ship with Fortune, we accept your statement that you
26 haven't consulted with these people since this thing
27 came up?

28 MR. WILD: No.

29 COMMISSIONER JOHNSTON: A part-time correspon-
30 dent; what do you do for Time and Life in that connection?



1
2 MR. WILD: I suggest stories and gather
3 stories; that is, I gather the information on the
4 stories in the general area of the country extending
5 from Sarnia to Owen Sound.

6 COMMISSIONER JOHNSTON: Do they pay well?

7 MR. WILD: They pay well, yes.

8 COMMISSIONER JOHNSTON: They say they pay
9 well, but a lady here yesterday said they paid poorly.
10 I don't know what to think about that. You have never
11 worked on the business end of a publication, then?

12 MR. WILD: No. I am afraid these are observa-
13 tions of a layman in that regard.

14 COMMISSIONER JOHNSTON: Guessing from this
15 brief of yours, I would suggest that possibly your
16 journalistic teaching is on the negative side; you tell
17 the boys and girls how not to write a story?

18 MR. WILD: No, I wouldn't say that; that is
19 one of the factors in teaching, yes.

20 COMMISSIONER JOHNSTON: Has there been any
21 suggestion from this Commission that there is likely to
22 be a tax or embargo on these American magazines, and
23 this would have the effect of forcing Canadians not to
24 read them?

25 MR. WILD: Not from this Commission, no, but
26 I suggest that if you tax an American magazine to the
27 point where it is no longer economically feasible for it
28 to operate in this country, it will withdraw, and to my
29 mind this is the only way such tax would be effective in
30 helping Canadian magazines.



1
2 THE CHAIRMAN: You think it is the only
3 thing?

4 MR. WILD: No, what I mean is this; if you
5 are going to - let us take the example of the legislation
6 of three years ago.

7 THE CHAIRMAN: That was one. You are not
8 working from the particular to the general, I hope?

9 MR. WILD: No, but I am suggesting if you do
10 tax American magazines in this way, the tax in order to
11 be truly effective would have to be high enough, virtually
12 to make it unprofitable for them to continue in the
13 present form.

14 THE CHAIRMAN: And so we would be interfering
15 with reader preference?

16 MR. WILD: I think so.

17 THE CHAIRMAN: Did you read our terms of
18 reference?

19 MR. WILD: Yes.

20 THE CHAIRMAN: Did you notice there that we
21 are not to interfere with readership preference, so why
22 do you jump to this conclusion we are going to?

23 MR. WILD: I didn't jump to the conclusion
24 that you are going to; I am merely suggesting that this
25 is a possible avenue to be considered, that this is one
26 of the dangers.

27 THE CHAIRMAN: Don't you think we have thought
28 of that?

29 MR. WILD: Yes.

30 THE CHAIRMAN: Mr. Beaubien, any questions?



1
2 COMMISSIONER BEAUBIEN: Professor Wild, you
3 are a professor at the Department of Journalism, Univer-
4 sity of Western Ontario?

5 MR. WILD: Yes.

6 COMMISSIONER BEAUBIEN: In your teaching do
7 you take in the teaching of magazine techniques?

8 MR. WILD: We have a course in magazine article
9 writing that the late Professor Dingher taught for many
10 years and which now Professor Beatty teaches.

11 COMMISSIONER BEAUBIEN: Magazine technique,
12 but not magazine administration?

13 MR. WILD: No, we teach nothing on administra-
14 tion.

15 COMMISSIONER BEAUBIEN: It is a course on
16 writing?

17 MR. WILD: It is a course on magazine writing
18 and layout.

19 COMMISSIONER BEAUBIEN: Would there be suffi-
20 cient interest to have a course on general magazine
21 administration, or something; we are short, apparently,
22 of magazines in this country here, and should the
23 universities not make an effort to train people to run
24 magazines maybe by night courses or correspondence
25 courses, which would be of help?

26 MR. WILD: Yes. I think that would best be
27 done, sir, as an inter-departmental programme and
28 probably with greater emphasis on the work of the
29 School of Business Administration and with, perhaps,
30 some work on the editorial matters with reference to the



1 journalism part of it. This is not an administration
2 problem; it is a problem in journalism, per se.

3 COMMISSIONER BEAUBIEN: If I am not mistaken,
4 the University of Western Ontario is one of the very few
5 universities in Canada that do have a course in journa-
6 lism; is there another one?

7 MR. WILD: Yes, Carlton University, and there
8 is one in Halifax which also has some.

9 COMMISSIONER BEAUBIEN: Would you suggest
10 other universities open similar faculties to encourage
11 journalism, and as far as we are concerned, maybe some
12 specific magazines?

13 MR. WILD: Yes, I think that there is room in
14 Canada for instruction in journalism in other universi-
15 ties; I think particularly that is so in the west.

16 COMMISSIONER BEAUBIEN: How many students do
17 you have in your faculty?

18 MR. WILD: 72, but this figures, perhaps, is
19 misleading. We are now graduating between eight and a
20 dozen a year in journalism, and this is a four-year
21 course in Grade 13 - the others are three-year courses -
22 and the problem is not placing those people, most of
23 those people have three or four job offers each; the
24 real problem is to get bright young people interested in
25 the communications field. We are not getting our share
26 of first-class people.

27 COMMISSIONER BEAUBIEN: Thank you.

28 COMMISSIONER JOHNSTON: Mr. Wild, you admit
29 that you don't know anything about the management of
30



1
2 magazines?

3 MR. WILD: I know virtually nothing about
4 magazines.

5 COMMISSIONER JOHNSTON: Let us take a field
6 we should know something about. Do you think that a
7 magazine running four pages of so-called Canadian
8 material can be edited from New York?

9 MR. WILD: Yes.

10 COMMISSIONER JOHNSTON: Well, that is fine.
11 That is enough, thank you.

12 THE CHAIRMAN: Thank you, Mr. Wild.
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SUBMISSION BY

MONETARY TIMES PUBLICATIONS LTD.

APPEARANCES:

MR. E. SALMOND, President.

MR. SALMOND: Mr. Chairman, my names is Eric Salmond and I am President of Monetary Times Publications.

In submitting this brief, we would like to make it clear at the outset that Monetary Times Publications Ltd. is a publisher of 11 business and technical magazines; 9 of which are monthly magazines with a national circulation, one a bi-monthly with a national circulation, and one a quarterly business magazine for the farmer with circulation coverage only in eastern Canada. In addition, five publications are published on an annual basis. The attached appendix lists these magazines, their market and field served.

The company was founded in 1867 and is proud of its Canadian background and recognition as a well established, progressive company. One of our publications, The Monetary Times, has a continuous publishing history going back to August 1st, 1867. We are naturally interested in the proceedings of the Royal Commission on Publications and concerned about the recommendations that the Commission may make after completion of its hearings and submission to it of briefs by various segments of the publishing industry.

Of the problems of Canadian publishers of



1
2 fictional and other general magazines, commonly called
3 consumer magazines, particularly as related to the
4 extensive and unimpeded circulation in Canada of similar
5 magazines published in the United States, Monetary Times
6 Publications is fully cognizant. In the efforts of
7 Canadian publishers of such magazines to protect their
8 heavy investments, and to create an atmosphere in which
9 to operate profitably in spite of the effect of the
10 advertising content of U.S. publications, Monetary
11 Times Publications is sympathetic. But although there
12 are such problems affecting the Canadian publisher
13 of fictional and general magazines, it should not be
14 assumed that publishers of business and technical maga-
15 zines are faced with the same problem.

16 As publishers exclusively of business and
17 technical magazines, we cannot see that the Canadian
18 business press has been unduly affected by foreign,
19 or in this case United States competition. It is true
20 that in certain business publication fields there is a
21 considerable overflow of U.S. circulation. There have
22 been 4 or 5 attempts on behalf of U.S. business
23 publishers to publish "Canadian" editions and there
24 will likely be more. But a close analysis of the
25 extremely competitive climate in which the 400
26 Canadian business publications are operating, would
27 seem to indicate that any United States publisher in
28 his right mind would find it hardly worth his while
29 to venture into the turbulent waters of the Canadian
30 business magazine highly competitive field. The U.S.



1
2 publisher is a problem to cope with but we face consider-
3 ably more competition from our own national, regional
4 and French Language publications and for that matter
5 from other media than from our good friends south of the
6 border. This is as it should be.

7 In relation to Gross National Product, Canada prod
8 produces three times as many business publications as
9 the United States. There is one publication for every
10 \$250 million of GNP in the U.S. and one for every
11 \$80 million in Canada. Canada has 430 business publica-
12 tions for a total GNP of 34 and a half billion. The U.S.
13 has 2,000 for a GNP of 501 billions.

14 It has been our experience and our observation
15 that very few U.S. advertisers rely on the overflow
16 circulation of the U.S. business press to do their
17 marketing job in Canada. To the contrary, Monetary
18 Times Publications has found that increasing numbers
19 of U.S. advertisers are turning to Canadian business
20 magazines to market in this country and we submit
21 that any restrictive action will more likely upset the
22 very delicate balance of trading and business relations
23 which the business press is helping to build and
24 maintain between the U.S. advertiser and the Canadian
25 market.

26 In the business and technical field there
27 should be a free interchange of information and news
28 between various countries. Canadian industries, and
29 individuals may well find in the details of the
30 activities of industries in other countries something



1
2 that will improve their own operation. Hence, there
3 should be no deterrent to the circulation of business
4 and technical magazines in Canada, whatever be their
5 country of origin.

6 Regardless of current freedom of circulation
7 in Canada of U.S. business and technical papers, there
8 has been no evidence of any volume of circulation that
9 would prove detrimental to Canadian publishers of similar
10 magazines. Most such Canadian magazines operate on
11 a controlled-circulation basis and reach those who
12 subscribe for foreign magazines as well as the much
13 larger clientele which do not or are not interested
14 in receiving magazines from other countries.

15 If I may, Mr. Chairman, at the end I would
16 like to give you three examples of competitive magazines
17 in our field.

18 U.S. advertisers, in practice, do not depend
19 on their advertising in the U.S. business and technical
20 magazines to reach potential Canadian customers.
21 They have specialized products or services to sell to
22 specialized people, and they use Canadian business and
23 technical journals in which to place their advertising,
24 provided those journals deal adequately with their
25 respective fields and reach an adequate potential
26 market.

27 Canadian business and technical papers, because
28 they are carrying an sizeable volume of U.S. advertising,
29 are actually contributors to Canada's export market.
30 They are selling a service to foreign clients at a



1
2 price which represents an important portion of Canada's
3 earnings from the export of services.

4 In the case of Monetary Times Publications Ltd.,
5 a total of 27% of our advertising dollar volume comes
6 directly from the United States. It should be noted
7 that this 27% does not represent the total dollar volume
8 emanating from U.S. manufacturers. In many cases Canadian
9 dealers and distributors advertise and pay for the
10 promoting of U.S. lines and subsequently receive
11 reimbursements directly or indirectly from the U.S.
12 manufacturer. This U.S. advertising, whether direct
13 or indirect, must also be regarded as instrumental in
14 stimulating Canadian companies to spend a greater
15 portion of their advertising dollar than otherwise
16 would be the case. It is felt therefore, that any action
17 against U.S. publishers doing business in the Canadian
18 market could reflect adversely against Canadian
19 business publications relying - as the majority do -
20 on the free and unhampered privilege of selling advertising
21 ing to U.S. companies. The possibility of antagonizing
22 many of the U.S. companies with whom we do business
23 is therefore a very real issue. Monetary Time Publica-
24 tions for example has direct dealings with a total of
25 706 U.S. companies and their 540 U.S. advertising
26 agencies. It is rather interesting to note in 1957
27 we dealt with 440 U.S. advertising agencies.

28 It is conceivable that some of these companies
29 would object strongly to restrictive action against
30 U.S. publishers in the Canadian market and the



1
2 possibility of counter measure may not be as remote
3 as some may think. No doubt some U.S. trade publica-
4 tions might suggest that Canadian advertising budgets
5 of U.S. companies could be put to better use right in
6 their own home market. A special tax on Canadian
7 publishing companies operating sales offices in
8 the United States could be another possibility. Our
9 company, for example, has a sales office in Chicago
10 and employs publishers' representatives in Los Angeles.
11 The eastern states are covered by both our Toronto
12 and Montreal offices and our sales staff is particularly
13 active in the New York area. Our Vancouver office
14 covers the northwestern United States as well. We
15 would indeed regret any restrictive action placed upon
16 the activities of our own salesmen in this or any
17 other area.

18 We do not feel that our experience in this
19 selling pattern is unique. If you apply our percentage
20 of direct U.S. business against the estimated \$30
21 million expenditure in Canadian business publications,
22 you have a direct investment of over \$8 million by
23 U.S. marketers in Canadian business publications. This
24 we consider to be a conservative figure but is never-
25 theless a sizeable sum compared to the dollar volume
26 of advertising in the few U.S. publications in the
27 business field who are attempting to publish "Canadian"
28 editions.

29 Among the many functions of a good business
30 publication is the necessity to keep fully informed



1
2 and abreast of market trends and development possibilities
3 in the fields served by the publication. Our publica-
4 tion managers and editors are constantly being asked
5 by manufacturers or distributors of all types and
6 varieties of products as to how to market and sell into
7 a particular field. A very important phase of the
8 publishing business in the business field is the bring-
9 ing together of the manufacturer and distributor. Our
10 men spend a considerable amount of time encouraging
11 distributors in Canada who are fully familiar and
12 conversant with this market to take on various lines
13 of manufacturers to market them in this country. There
14 have been many times when marketing and distribution
15 arrangements set up for U.S., U.K., or other advertisers
16 has resulted finally in the establishment of a branch
17 manufacturing or distributing arrangement right here
18 in Canada. That has happened time and time again. The
19 net effect of these publishing and marketing facilities
20 is certainly benefiting the Canadian consumer whether
21 he be an individual or a company by making available
22 a far wider choice of equipment or services. Facilities
23 such as these the Canadian publisher can offer, facilities
24 obviously not so readily available or possible for a
25 foreign publisher lacking the years of background
26 in the Canadian market.

27 The business press is basic to the growth
28 of any country. Marketers and advertisers are aware of
29 that fact whether they are Canadian, American, British,
30 German, Japanese, French, Italian, or any other exporting



1
2 country, and they know and fully realize that if they want
3 to get the maximum impact and sales story across about
4 a product or a service, they must use a Canadian
5 business publication to help promote and develop their
6 sales in the Canadian market.

7 As previously stated, the competition
8 which Monetary Times Publications Ltd. has to meet is
9 that from other Canadian business and technical
10 publications covering the same fields as our own.
11 This is the same type of competition that exists between
12 Canadian producers of other goods and services and
13 must be overcome by adopting recognized business
14 procedures in this connection. That U.S. journals enter
15 Canada and that through advertising in them, U.S.
16 companies reach some of the same prospective customers
17 as our journals are not matters that in our opinion
18 need any restrictive action so far as business and
19 technical publications are concerned.

20 Basically we feel that the real issue is a
21 diversion of advertising dollars from Canadian bus-
22 iness publications. Advertising space is sold on the
23 basis of editorial content and readership. Surely
24 Canadian publishers are in a better position to know
25 what Canadian readers prefer; should we not rather
26 spend our time objectively and positively outselling
27 the competition. The curtailment of supposedly unfair
28 competition is in our opinion not the answer. The
29 foreign competitor undoubtedly has some advantages
30 but we feel that these are far outweighed by the many



1
2 natural advantages open to the Canadian publisher.

3 Thank you for providing this opportunity to
4 present our views.

5 APPENDIX

6 AIRCRAFT

7 Canada's Aero Trade Magazine covering Civil
8 Aviation - Military - Avionics.

9 CANADIAN MUNICIPAL UTILITIES

10 Only paper in Canada devoted exclusively to
11 Municipal Engineering Utilities.

12 CANADIAN PLASTICS

13 Since 1943 - devoted to the Growth and
14 application of Plastics in Canada.

15 FARM EQUIPMENT DEALER

16 Canada's National Magazine devoted to
17 Improving, Merchandising and Servicing
18 of Farm Equipment.

19 GARDEN SUPPLY AND HARDWARE DEALER

20 Serving the Garden Supply and Hardware Trades.

21 GOOD FARMING QUARTERLY

22 A Business Magazine for the Farmer.

23 MACHINE PRODUCTION AND CANADIAN SUPPLY

24 Devoted since 1941 to the Metal Working and
25 Allied Industries in Canada.

26 THE MONETARY TIMES

27 The Canadian Management Magazine.

28 MOTOR TRUCK & COACH

29 Canada's National Monthly for Truck and
30 Coach Fleet Operators.



ROADS & ENGINEERING CONSTRUCTION

A national publication completely devoted to
Engineered Construction.

TIMBER OF CANADA

Saw and Pulpwood Logging, Lumber, Plywood
and Board Manufacturing.

ANNUALS

Aviation Directory of Canada - February
Canada's Forest Industries Directory - April
The Monetary Times Annual National
Review - January
Plastics Directory of Canada - March
Vendeur de Machines Agricoles - December

Mr. Chairman, I have three examples here
which I would like to give you. Those are three publica-
tions that we publish in Canada. The first one which
Commissioner Beaubien has is Canadian Municipal
Utilities which has a circulation of some 5,000 copies.
There are ten publications competing in this field
in Canada. I am giving you the comparative United
States municipal magazine circulation, and on that
list which Commissioner Beaubien has it lists eight
United States publications with their Canadian circulation,
their publisher, the gross circulation, and the
Canadian percentage. The two highest categories are
six per cent and seven per cent for the American
Water Works Association, and 7.1 per cent for the sewage
and industrial waste. These latter two represent the



1
2 Canadian membership of the associations. In marketing
3 and selling it is not a question of the total circula-
4 tion. It is a question of the individual market.
5 In other words, the American advertiser and marketer
6 is not going to buy all eight of these publications
7 to sell in the Canadian market. We have a circulation
8 in this publication of five thousand copies and the
9 top circulation in this particular field in Canada is
10 some six hundred and eighty-one in connection with the
11 AWWA publication. If you move along, Mr. O'Leary,
12 to Roads and Engineering Construction, which is another
13 of our publications with a circulation of some eleven
14 thousand copies, there are nine publications in the
15 field in Canada. We are listing fifteen United States
16 publications, their Canadian circulation, and the highest
17 percentage is 10.2 per cent for construction equipment.
18 We move along to Mr. Johnston, to the Aircraft magazine,
19 and there are five publications in this field in
20 Canada. There is a listing of nineteen publications
21 in the United States on the Aviation market. The
22 highest circulation is Skyways Magazine; 7.9 per cent
23 of their circulation is Canadian circulation, published
24 by the Henry Publishing Company. Here is a case in
25 point where we understand the Henry Publishing Company
26 are considering bringing out a Canadian edition, and
27 they plan to do -- they are going to do so, but again
28 they are going to have to duplicate the efforts of
29 Canadian Aviation, Aircraft Magazine, Flight and
30 the various publications here to compete with us on



1
2 an equal basis. What I am trying to indicate is that
3 it is a question of how you look at statistics and
4 figures. If you add up the total Canadian circulation
5 of all these publications it is staggering, but it
6 is not staggering when you analyse it as one or
7 two individual publications. Do you follow what I am
8 trying to explain? I hope I have been of some help
9 or some assistance to you.
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1 COMMISSIONER JOHNSTON: Thankyou very much.
2 I take it you are not a member of the Business
3 Newspaper Association?

4 MR. SALMOND: We could hardly be because
5 we do not agree with their policy.

6 COMMISSIONER JOHNSTON: When you talk about
7 United States advertising do you try to get a
8 United States edition of any of your publications?

9 MR. SALMOND: No, we have not done that,
10 Mr. Johnston. The only circulation that we have in
11 the United States is on the average of about one
12 percent or two percent, maybe higher in particular
13 cases and that circulation is directed in there
14 mainly for advertising purposes for the assistance
15 of our advertising sales people and so on who are
16 marketing here in Canada. It is a very important
17 circulation to us. Our best advertisement is our
18 publication and I think that is common to other
19 business enterprises.

20 COMMISSIONER JOHNSTON: Have you advertised
21 in the United States for publication in business
22 papers that you publish in Canada?

23 MR. SALMOND: Yes, that is right.

24 COMMISSIONER JOHNSTON: And the circulation
25 of these papers are 95% or more in Canada?

26 MR. SALMOND: Oh, yes.

27 COMMISSIONER: JOHNSTON: So your situation
28 is entirely different from the foreign owned Time
29 and Reader's Digest?
30



1
2 MR. SALMOND: Yes.

3 COMMISSIONER JOHNSTON: Your problems
4 are not the same whatsoever?

5 MR. SALMOND: That is what I am trying to
6 point out. Time is certainly a factor to us as
7 a publisher. There are magazines, daily and weekly
8 newspapers, radio and television.

9 COMMISSIONER JOHNSTON: All publications
10 compete with all others?

11 MR. SALMOND: Yes

12 COMMISSIONER JOHNSTON: And you are not
13 trying to produce from Toronto a publication with
14 a United States edition distributed in the States?

15 MR. SALMOND: No, our market is going back
16 and forth across the country. We have the same
17 problem in publishing in Canada that our regional
18 publications, and there are some excellent ones
19 in western Canada and Quebec, have. We run across
20 the same problem in publishing practice in Canada
21 as the few people who are involved with Canadian
22 editions of American publications over here. I do
23 not want to seem unsympathetic or have a lack of
24 feeling for these people but there may be some value
25 in interesting these people in printing in Canada
26 or something like that which would discourage a
27 lot of it. We have not got the problem which Mr.
28 Arthur has with his hairdressing publication. It
29 is a thing you would have to---

30



1
2 COMMISSIONER JOHNSTON: You mention
3 here the possibility of retaliation or making it
4 difficult for you to sell advertising in the States
5 for your Canadian papers?

6 MR. SALMOND: Yes.

7 COMMISSIONER JOHNSTON: Do you take that
8 seriously?

9 MR. SALMOND: Well, it probably is an
10 extreme statement, but, on the other hand, it is
11 not so many months or years ago when Newfoundland
12 tried to put a five percent sales tax on and what
13 a hullabaloo went up there.

14 COMMISSIONER JOHNSTON: We have only joined
15 Newfoundland recently.

16 MR. SALMOND: This was before Newfoundland
17 joined Canada.

18 COMMISSIONER JOHNSTON: Do not most large
19 United States publications, daily newspapers and
20 others, send a salesman into Canada to sell Canadian
21 advertising?

22 MR. SALMOND: I should think they would
23 have a perfect right to do so.

24 COMMISSIONER JOHNSTON: Well, surely
25 you would have a perfect right to go the other
26 way?

27 MR. SALMOND: Oh, yes.

28 COMMISSIONER JOHNSTON: Now, one other
29 question: Do you think you could sit in New York
30 and edit any one of your Canadian trade papers?



1
2 MR. SALMOND: No.

3 COMMISSIONER JOHNSTON: Do you think that
4 the professor of journalism who was on the stand
5 a moment ago is right when he says he could or
6 that it could be done?

7 MR. SALMOND: Not as a Canadian publication,
8 no.

9 COMMISSIONER JOHNSTON: That is right.
10 Thank you.

11 COMMISSIONER BEAUBIEN: On page two towards
12 the end of the third paragraph of your brief you
13 state:

14 "The U.S. publisher is a problem to cope
15 "with but we face considerably more
16 "competition from our own national,
17 "regional and French language publications--"
18 Are you talking about local French or
19 foreign?

20 MR. SALMOND: No, local regional publications
21 published in the province of Quebec. As you will
22 realize the language problem is a very interesting
23 situation in this Country and very necessarily so.
24 In recent years there has been springing up quite
25 a number of very good regional French language
26 trade magazines. We are not complaining about that,
27 that is a thing we have to cope with in our own
28 business procedure. These are publications published
29 for the Quebec market in the Province of Quebec
30



1 and they are excellent. There will be probably more
2 of them. That is a business practice we have been
3 facing and hope to be facing for many years to come.
4 That is just as it should be. What I am trying to
5 point out and I hope some of the Americans might
6 get the message is that we already have a pretty
7 husky and competitive business paper market in
8 this Country with the 430, as was stated but we
9 count 521 and in relation to the gross national
10 product it is 3 times the amount of business
11 publications published in the continental United
12 States if you work it on a per capita basis which
13 is about twice as much.

14
15 THE CHAIRMAN: Are you suggesting there are
16 so many that they may be killing one another off;
17 that there is not enough revenue for all of them?

18 MR. SALMOND: That could be a problem but
19 that is a problem the Government cannot help.

20 THE CHAIRMAN: No, but it is helpful
21 for us to know. It is a possibility, you think?

22 MR. SALMOND: It may be. I think this
23 Country is very well serviced with the number of
24 business publications we have.

25 COMMISSIONER BEAUBIEN: You publish a
26 business type of publication?

27 MR. SALMOND: Yes.

28 COMMISSIONER BEAUBIEN: A trade type.
29 And now, compare yourself to the consumer type of
30



1
2 publication. Do you feel that you are in a preferred
3 position or do you feel your position is just as
4 precarious as the consumers?

5 MR. SALMOND: I would not say we are in
6 a preferred position, no, but the interest -- we
7 are preferred to this extent in that our publications
8 and most business publications are more of a
9 specialized nature. In the consumer magazine
10 market the publications which are a problem are
11 usually entertainment or cultural and general interest
12 publications which are coming over here. It is a
13 problem which the business publication is not
14 facing in the same degree.

15 COMMISSIONER BEAUBIEN: The business
16 publications have sort of a built in protection
17 because of the nature of it?

18 MR. SALMOND: I am trying to point out
19 that I do feel we have some advantages which the
20 consumer magazines have not got. I should not say
21 anything about the consumer field because I have
22 a hard enough time trying to keep abreast of
23 our own business. My main concern was to make sure,
24 or at least suggest that recommendations were not
25 made that the business publications in the country
26 might get the backlash of what ever you might
27 recommend so far as consumer magazines are concerned.

28 COMMISSIONER BEAUBIEN: Are your magazines
29 distributed without charge?
30



1
2 MR. SALMOND: Pretty well most of them
3 as are most business publications in Canada.

4 COMMISSIONER BEAUBIEN: You rely mostly
5 on advertising?

6 MR. SALMOND: Yes, some on circulation
7 but almost entirely on advertising.

8 COMMISSIONER BEAUBIEN: Do the A.B.C.
9 ever look at your papers?

10 MR. SALMOND: Well, they have a Mr. Galilee
11 of the Canadian Audit Board and all our publications
12 belong to that.

13 COMMISSIONER BEAUBIEN: Your circulation
14 revenue does not enter into your picture at all?

15 MR. SALMOND: No.

16 COMMISSIONER BEAUBIEN: Is that true of
17 your competitors from the United States?

18 MR. SALMOND: It is. Mostly the United
19 States circulation in most cases would be paid
20 circulations.

21 THE CHAIRMAN: We have heard representations
22 to the contrary right along that what they were
23 suffering from was controlled circulation.

24 MR. SALMOND: Well, if you would like
25 me to get the information on some of these
26 specifically I would be glad to do it.

27 COMMISSIONER JOHNSON: Take this one,
28 Flying, 209,000, is that paid or is it not?
29 Perhaps you could get the information?
30



1
2 MR. SALMOND: I could get you the
3 information but I would think in that particular
4 case it might be on a controlled circulation basis
5 too.

6 COMMISSIONER JOHNSTON: You are a little
7 too confidential for the people sitting around
8 here.

9 MR. SALMOND: I am sorry.

10 COMMISSIONER JOHNSTON: Is it controlled?

11 MR. SALMOND: I believe possibly that
12 particular magazine might be on a controlled
13 circulation basis as well.

14 COMMISSIONER JOHNSTON: The Monetary Times
15 still sells for a price?

16 MR. SALMOND: Yes, but it is pretty well
17 a controlled circulation.

18 COMMISSIONER JOHNSTON: To whom do you
19 send Monetary Times?

20 MR. SALMOND: We have 11,000 Canadian
21 businessmen. Someone mentioned today, for example,
22 that in Government all of the Embassies of Canada
23 receive a publication; that type of circulation.

24 THE CHAIRMAN: You say you have 25% of
25 your advertising dollars coming from the United
26 States directly?

27 MR. SALMOND: Yes.

28 THE CHAIRMAN: Are yours the only publications
29 in Canada getting that revenue from the United
30 States?



1
2 MR. SALMOND: I would say that our average
3 is an aveage -- the 27% would probably be an
4 average for all business publishers in Canada with
5 the exception of ---

6 THE CHAIRMAN: Well, what sort of
7 advertising is it? What is being advertised,
8 roughly?

9 MR.SALMOND: Well, it depends. In this
10 municipal publication here is what happens; there
11 is a company that manufactures a certain type of
12 coil filter for a waterworks plant which has a
13 specialized application. Our people, and no doubt our
14 competitor publication people, have been calling on
15 that company for a number of years and they finally
16 interest them in developing a market here in
17 Canada. The Canadian municipal utilities magazine
18 circulates to the people in the waterworks field
19 across the Country, a limited circulation of only
20 5,000 copies and these things are sold and installed
21 in waterworks plants and filter systems, sewage
22 plants. They start advertising, they appoint a
23 distributor and start doing business and start
24 marketing. A few years go by and they decide to
25 put a small manufacturing plant in Brampton and
26 they started a business employing people in this
27 Country; they go on and get into business in Canada.
28 This is not peculiar to ourselves, MacLean-Hunter,
29 every publisher in the Country are doing exactly
30 the same thing and I think it is extremely



1
2 beneficial to the whole Country. That is why I
3 say this 27% or 25%. This is only our experience
4 in applying it against the total figure of around
5 \$8,000,000.

6 THE CHAIRMAN: It has been represented
7 to us here that Canadian trade publications
8 apparently has built in advantages that they are
9 of a great assistance to various Canadian manufacturers
10 in helping them design and so on even in getting
11 trade abroad. I am sorry to say these manufacturers
12 have not come forward to substantiate that claim
13 but do you think that is true? Is that one of your
14 built in advantages?

15 MR. SALMOND: I would say it was, yes.

16 THE CHAIRMAN: Do you think that is being
17 endangered by publications coming in from the United
18 States?

19 MR. SALMOND: No, I do not think it is.
20 That is what I have been trying to say.

21 THE CHAIRMAN: Thank you very much for your
22 presentation.

23

24

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SUBMISSION OF BUSINESS PAPER EDITORS ASSOCIATION

APPEARANCE OF WILLIAM B. FORBES, PRESIDENT.

MR. WILLIAM B. FORBES, PRESIDENT,

MR. FORBES: Mr. Chairman and members of the Commission, I am president of the Canadian Printer and Publisher and a member of the Toronto Chapter of the Business Paper Editor's Association of which I am President and also Vice-president of the National Business Paper Editors Association. To expedite matters I am quite happy to forego reading paragraphs 1, 2 and 4 which represent some three pages of this brief and I should like to read paragraph 3 and the other paragraphs which I think are non-repetitive to anything you have yet heard.

Canada's own business publications, about 430 of them, employ about 1,000 editors across Canada. Fully another 1,000 writers, technical experts, consultants and professional people derive some income from this business press for their writings in its pages and find an excellent outlet for their creative talent in them. Unfortunately, we have no exact or complete survey to establish the exact number of freelance or retained contributors from whom Canada's business press purchases material. But one company, publishing less than 10 per cent of the total business publications of Canada, made payments to 700 different freelance contributors last year. The figure of 1,000 for more than 400 such magazines, therefore, is an extreme under-



1
2 estimation. In any case, it represents a much
3 greater number of editors and published writers than
4 those editing and contributing to the large
5 circulation consumer magazines.

6 Paragraph 4 summarizes that 97 different
7 trades, businesses and professions which are
8 served in Canada by 379 of these magazines. I
9 might note it does not include those published
10 less than quarterly or the handbooks, directories or
11 other business publications which might not have
12 sworn or audited circulations.

13 To edit magazines in nearly 100 specialized
14 fields takes a higher degree of knowledge and
15 education than is found in most other writing and
16 publication fields in Canada. A poll of the Toronto
17 Chapter members of Business Paper Editors Association
18 shows 61.1% of editors with one or more university
19 degrees, 25.4% with university or technological
20 institute training but no specialized degree, 13.5%
21 high school matriculants. These figures only cover
22 the 220 editor-members of the Toronto Chapter of
23 Business paper Editors Association the largest
24 group of business editors in a regional professional
25 association. There is, however, every reason to believe
26 that these figures apply to all members of BPEA across
27 Canada and to non-member editors as well.

28 This higher than average scholastic
29 training in the publishing field means that
30 Canadian business paper publishing takes a very



1
2 substantial number of graduates from Canadian
3 universities and technological institutes and
4 gives them productive work in their specialized
5 field. In addition to a great many engineers,
6 Canadian business paper publishing especially
7 provides careers for a high percentage of
8 journalism graduates from the Ryerson Institute
9 of Technology in Toronto, from Carleton University
10 in Ottawa, and from the University of Western
11 Ontario in London. Mr. Kesterton, assistant to
12 Wilfrid Eggleston, Director, Department of Journal-
13 ism at Carleton University states that "of the 236
14 graduates of Carleton University School of Journal-
15 ism at least 61 jobs on business papers have formed
16 part of their professional careers". This is better than
17 25%. The invasion of the Canadian business paper
18 profession by foreign-edited "Canadian" editions
19 will undoubtedly cut back much of this absorption
20 of Canada's educated talent into native professions,
21 with consequent harm to our universities and national
22 culture.

23 Without a continuing, thriving, progressive,
24 optimistic business paper industry in Canada -- and
25 it must, by its very nature, be indigenous to
26 Canada -- we will be unable to absorb these graduates:
27 engineers' technicians and journalists, and our
28 profession will fall in esteem and strength. If we
29 cannot draw people from our seats of learning,
30 these very institutions themselves might decline



1
2 in prestige, economic status, or academic standards.

3 Unless this industry maintains and expands
4 its present position, many expert Canadian business
5 editors will be forced to emigrate or face frustra-
6 tion in work for small, struggling companies or for
7 foreign press employers.

8 With this status, training and professional
9 experience, Canadian business paper editors are able
10 to make extensive contributions to Canada's industrial,
11 cultural, scientific and professional progress as
12 speakers and writers, on radio and television, and in
13 media other than those they edit. They are able to
14 provide an outlet for the talent, knowledge, research
15 and experience of more than 1,000 contributors every
16 year -- another significant contribution to
17 Canadian progress and identity. Many business editors
18 have been able to expand their contributions to the
19 broader patterns of Canadian culture and to continue
20 in these fields with significant achievement. Among
21 these we could name Tom Patterson, founder of the
22 Stratford Festival, Arthur Hailey, well-known
23 novelist and playwright; Alan King, prominent
24 writer-actor; and Peter Newman in the fields of
25 economics and sociology. A growing reservoir of
26 talent in a virile business press in Canada will
27 undoubtedly assure even a greater share of effort
28 from business paper editors to the developing
29 Canadian cultural mosaic.
30



1
2 HOW WE HELP BUSINESS AND INDUSTRY. Of course,
3 the mainstream of Canadian business paper editors'
4 effort, experience and knowledge flows to Canada's
5 industry and professions, to our agriculture, exchange
6 and export, and practical distribution. By reflecting
7 Canadian conditions and the unique inter-relationships
8 of all our parts; by garnering and interpreting new
9 ideas, advances and processes from all over the world in
10 Canadian terms; by exchanging ideas, experiences, techni-
11 cal knowledge and the results of research from all over
12 Canada to every part of Canada and every sector of its
13 economy; by interpreting our laws on every level in
14 Canada, by helping in their application, their formula-
15 tion or modification; in all these ways -- and in others
16 -- Canadian business papers -- written, researched and
17 edited for Canadians, by Canadians, on Canadian topics
18 with Canadian welfare in mind -- have a significant
19 impact on this nation's progress, on its industry and
20 culture, on its scientific progress and educational
21 level, and on the creation of a truly Canadian identity.
22 Canadian business papers strive unremittingly to give
23 leadership in every field which they serve. With a
24 circulation per issue of nearly 3,000,000 copies going
25 to Canadians, business papers affect a gigantic segment
26 of our population in their thinking and application of
27 skills and ideas. A majority of Canadian families have
28 at least one member reading a business, agricultural
29 or professional magazine or paper.



1 Association of Canada lists 12 major accomplishments on
2 behalf of Canadian industry by Canadian business news-
3 papers. The Toronto Chapter of Business Paper Editors
4 Association would like to make these comments on the
5 BNA submission:
6

7 First: BPEA identifies itself completely with
8 the spirit, intent and text of the BNA submission.

9 Second: Business Paper Editors Association is
10 proud that every achievement of the 12 listed by BNA was
11 the work of members of our professional organization.

12 Third: To the achievements already listed, the
13 Toronto Chapter would like to add these typical achieve-
14 ments by these Business Paper Editors Association members:

15 (a) A member magazine sponsored a tour of
16 Canadian architects to the Scandinavian and
17 Low Countries and Germany, conducted by the
18 editor, to give Canadian architects an oppor-
19 tunity to view recent advances in the most
20 progressive areas of European architecture
21 and to exchange ideas with European architects,
22 as well as to leave with them an impression
23 of Canada's progress in this art. So impor-
24 tant was the tour considered, that one archi-
25 tect applicant was able to get a Canada Council
26 award to make his inclusion on the trip
27 possible.

28 (b) A member magazine serving Canada's
29 printing and publishing industries was a
30 major instrument in the formation of a graphic



1
2 arts industries association to embrace every
3 Canadian company engaged in this field to
4 improve its operation and extend the graphic
5 arts in Canada and Canadian contributions
6 abroad.

7 (c) A member magazine noted a minute change
8 in a taxation amendment which would have added
9 little to the nation's coffers but which would
10 have put the Canadian paint and varnish indus-
11 try in a position where it could no longer
12 compete with foreign competition, facing
13 almost certain ruin. Interpretation, publi-
14 city, leadership and suggestion by the member
15 magazine led to a change in the act so that
16 the industry could continue competitively
17 with foreign products.

18 Our member magazines publish more than
19 15,000 feature articles -- which we write or edit --
20 every year. These examples cited are typical, not
21 special, examples of our work.

22 Other activities of our Chapter member-editors
23 have included the organization of problem-solving forums
24 and seminars in the many industries they serve; the
25 creation of quick, ready-to-use charts on production
26 problems, components, availability of products, data
27 processing and automation, and others; the organization
28 of highly-trained, prominent, scientific and technical
29 experts and boards of consultants to serve the publica-
30 tions' industrial readers and many other achievements



1 on behalf of Canadian industry.

2 FUNCTION OF BUSINESS PAPER EDITORS ASSOCIATION.

3 To maintain and raise our educational levels; to develop
4 a greater knowledge of the Canadian economy and its
5 needs; to better understand Canada's legislative develop-
6 ment and areas of authority; to improve our editorial
7 craftsmanship by training in writing and editing tech-
8 niques, art, illustration, layout and magazine design;
9 to maintain the highest professional ethics; for the
10 co-operative development of the highest service to
11 Canada's industry and professions: that is the purpose of
12 Business Paper Editors Association, and of all its four
13 Chapters, in Montreal, Toronto, Winnipeg and Vancouver.

14 Business Paper Editors Association organizes
15 four national educational conferences for its members
16 every year. Three of these take the form of panels,
17 forums, seminars, illustrated lectures, and discussions
18 on writing, editing, economics, trends, layout and
19 design, typography, specific industries or areas and
20 their problems, indeed, the multitudinous facets of
21 Canadian life and our national relationships with other
22 nations. These are all conducted by experts, most of
23 them from Canada but some of them asked to visit from
24 other countries to deal with specific issues on which
25 they are authorities. Every year BPEA organizes a
26 January conference in Ottawa to meet with Government and
27 Opposition leaders and experts for a discussion of trends
28 in Canada and representative attitudes to these develop-
29 ments. Economists and other authorities from different
30



1 government departments, from foreign consulates, from
2 the CBC, Bank of Canada, National Research Council, and
3 other Crown companies, are brought into these two-day
4 discussions to up-date BPEA members' knowledge on a
5 multitude of subjects.

6
7 Other national activities include leadership
8 and coordination of Chapter work in different areas and
9 the circulation of educational material to them, the
10 exchange of educational programs and visual-aid materials
11 on the business magazine industry. The national directors
12 of BPEA also publish a small paper called "Proof" four
13 or five times a year to inform the membership of Chapter
14 and national progress and to coordinate our activities.

15 Business Paper Editors Association nationally
16 conducts the Kenneth R. Wilson Memorial Awards for
17 editorial achievement by member business papers. These
18 have grown from one annual award with Honorable Mentions
19 where merited to four annual awards in four different
20 categories of business writing, with Honorable Mentions
21 where merited in each division. The awards were created
22 by Business Newspapers Association and Business Paper
23 Editors Association in 1954 to commemorate the life and
24 work of Kenneth R. Wilson, a business writer and member
25 of BPEA, who was killed in an airplane crash while on
26 assignment for his business paper. He was a distinguished
27 writer-editor and an active member of BPEA. These
28 awards commemorate his activity, achievement and example.
29 The Kenneth R. Wilson Award winners for excellence in
30 business writing and editorial achievement have been:



1
2 1954 - L.G. Ecroyd for a series of articles on
3 Communist control of B.C. Unions.

4 1955 - Kathleen Rex and Freda Garmaise for a
5 series of articles leading to the organization
6 of a Canadian Couturiers Association.

7 1956 - Franklin Russell for a series of articles
8 leading to a national Adequate Wiring campaign
9 to update the electrical systems of older
10 buildings to eliminate fire hazards.

11 1957 - R.E. Pepper for a series of articles
12 leading to better apprenticeship training
13 schemes in the automotive repair business.

14 1958 - Leslie Wilson for a series of articles
15 outlining Canada's educational problems and
16 reviewing remedies in some areas.

17 1959 - First year four awards were instituted:
18 K.W. Lines for an outstanding editorial on tire
19 safety.

20 R.E. Crawford for a major survey giving informa-
21 tion on the age, location and condition of
22 Canada's machine tools.

23 Brian Land for an article describing how
24 Canada's money market works.

25 John Kettle for an article on the organization
26 of architects' offices.

27 1960 - A.M. Watson for a series of articles
28 leading to the setting up of a Royal Commission
29 on Canadian architecture.

30 Bruce Glassford for an article describing the



1
2 latest systems and devices for protecting
3 industrial plants against fire and burglary.
4 Eugene O'Keefe for a series of articles
5 outlining the latest techniques in selling
6 houses.

7 John Kettle for an article analyzing an archi-
8 testural competition for a design for Winnipeg's
9 new City Hall.

10 These Canadian business paper editors have
11 given signal assistance to Canadian progress.

12 SPECIAL CANADIAN EDITIONS OF BUSINESS PAPERS.

13 Business paper editors of truly Canadian magazines are
14 not afraid of competition. Among themselves, they welcome
15 it and are eager to see a continuation of a condition
16 which permits a great many companies and professional
17 associations of Canadian origin to publish business and
18 professional magazines for Canada. Unlike the consumer
19 magazine field, many publisher of business magazines are
20 small publishers, some of them with only one magazine.
21 Many business and professional magazines are the official
22 organs of both large and small associations. The 144
23 publication members of BNA are published by 37 different
24 companies, and this group includes nearly every one of
25 the large publishers so that the majority are small
26 companies. Most business publications in Canada are
27 published by small companies, and there is a splendid
28 opportunity for more small Canadian publishers to enter
29 this field. If the field is not limited or thwarted by
30 unfair foreign competition, business paper publishing



1 enterprise in Canada offers many splendid opportunities.
2 But business publishers cannot but cast their eyes to
3 the plight of Canada's magazines of general interest.
4 And they see a rising tide which could engulf them as
5 Canada's consumer magazines are being engulfed. In 1949
6 there were 510 U.S. business papers circulating in Canada
7 with a total circulation of 225,513 copies per issue.
8 Last year there were 1,497 U.S. business papers circula-
9 ting in Canada with a total circulation of 1,122,580
10 copies per issue. That threefold increase in number of
11 magazines and the fivefold increase in their circulation
12 per issue in a scant 10 years represents a dark omen for
13 Canadian business publishers, the editors and writers of
14 Canada, and for Canada's progress in an individual way.

15
16 In quality of the product they produce, Cana-
17 dian business paper editors are the equal of any in the
18 world. They are frequently invited abroad as experts on
19 their field and country. Every year, Canadians are
20 invited by the Society of Business Magazine Editors in
21 the U.S. to speak on various phases of editing, and these
22 editors of infinitely richer business magazines are ful-
23 some in their praise of the quality of Canadian editing
24 and writing. As well as the Canadian Kenneth R. Wilson
25 Memorial Awards, our editors win other contests for
26 editorial excellence in Canada, and a number from other
27 countries, every year. One Toronto Chapter member has
28 three times won international acclaim with "Industrial
29 Marketing" awards.

30 With their publishers' assistance, the Canadian



1 business paper editors continually are improving their
2 editorial product. Between 1954 and 1959 the members of
3 Business Newspapers Association increased their invest-
4 ment in editorial matter by 60%.

5
6 Canadian business paper editors do fear the
7 result on Canada's progress of unfair competition in
8 the form of so-called Canadian editions of foreign
9 business publications. Some of these already exist in
10 Canada and we know of a number which are planned.

11 If revenue to Canadian publishers is cut by
12 unfair foreign competition, there is every reason to
13 believe that a smaller percentage of turnover will be
14 available for editorial improvement. With a slower
15 extension of editorial betterment and the danger of
16 retrenchment and stagnation -- especially among very small
17 business paper publishers -- a great deal of hurt will be
18 dealt to Canadian business paper editors and to Canada.

19 This cannot but hinder our craftsmanship with
20 a resultant lowered standard of effort and educational
21 requirements. It will impair our income, status and
22 prestige, reduce career opportunities with a concomitant
23 decline of ambition and desire. In such a state, there
24 will be a consequent decline of those training in
25 universities for this respected career. Such a decline,
26 though it may appear slight, could be very real. In
27 these circumstances, effort, ethics, integrity, pride
28 and ambition become victims.

29 The business paper editors are convinced that,
30 if this condition is allowed to deteriorate in such a



1 manner, there will be a disastrous drain of business
2 talent and trained writers to other countries as the
3 opportunity of fulfilment in Canada becomes less.
4

5 Canada is a country which needs fulfilment
6 within its borders, it needs expansion and expansion by
7 the attraction of good citizens from abroad. With a
8 declining business press there would be less attraction
9 and encouragement for talented people in this field to
10 come from abroad and become good Canadian citizens,
11 adding their part to our development.

12 But no matter how these dangers affect us all,
13 as business paper editors we fear most the warping of
14 the fabric of Canadian life, industrial progress, research
15 and scientific advancement, and the advancement of the
16 professions in Canada if foreign influence grows in
17 business publishing here. Canada as a nation will
18 suffer if its business paper leadership is foreign,
19 uninformed, unsympathetic, partial to outside influences,
20 undedicated, and not completely Canadian in interest,
21 intent, or desire for our national welfare.

22 Business Paper Editors Association asks the
23 Commission to consider these questions:

24 "Could a so-called "Canadian edition" dealing
25 with farm implements really properly interpret Canada's
26 tariffs, freight rates, subsidies, parity, and other
27 germane matters in a way which would be genuinely help-
28 ful to Canada?"

29 "Could a "Canadian edition" of a magazine of
30 municipal affairs properly chronicle our provincial



1
2 federal relations, our municipal-provincial relations,
3 in a number of inserted pages of a foreign magazine?"

4 "Would the questions of amalgamation, for
5 instance, be fairly treated with help to Canada by a
6 rail transportation issue of a foreign magazine masquera-
7 ding as Canadian?"

8 "Could foreign-controlled and edited magazines
9 assist in the orderly and harmonic advance of Canadian
10 broadcasting and television?"

11 It is surely apparent to all in Canada that
12 many of our problems in industry and labour emanate from
13 decisions taken and plans formulated in other lands and
14 imposed here to the detriment of Canadian social and
15 industrial advancement in harmony.

16 The danger of these influences, we feel, is
17 real in all our industries, especially in pulp and paper,
18 lumbering, fisheries, manufacturing, mining, electric
19 power, gas and oil development and distribution, in
20 shipping and marine, and in other industries.

21 CONCLUSION. Business Paper Editors Association
22 has no desire to prevent the free flow of information
23 across any border, nor to restrict the right of any
24 individual to read and learn from any book or periodical,
25 nor to restrict his right to buy any book or periodical.
26 We do wish the right to work in dedication to Canadian
27 progress at decent wages and in an environment of
28 progress in our own country; we wish the right of Canadian
29 industry and professions to have their own press, serving
30 our people both as readers and advertisers. Business



1
2 Paper Editors Association submits to the Royal Commission
3 on Publications that:

4 Canadian business publications need a climate --
5 economically and culturally -- in which they can continue
6 to extend their uniquely Canadian services to every
7 branch of our industries, professions and distributing
8 forces;

9 Canadian business writers and editors represent
10 one of the largest groups contributing to this country's
11 printed literature and a curtailment of their efforts,
12 hopes and opportunities will be disastrous for them and a
13 genuine disservice to Canada's growth and happiness;

14 A lowering of Canadian business writing and
15 editing standards by an influx of foreign-edited
16 "Canadian editions" will injure Canada's writers, her
17 universities, and the panorama of Canadian printed
18 culture.

19 With these conditions as a background, and
20 others outlined to this Commission by genuinely Canadian
21 publishers, the Toronto Chapter of Business Paper Editors
22 Association trusts that this Royal Commission will
23 recommend to the government such corrective measures
24 that will permit the continued health of Canadian publica-
25 tions through competition on an equitable basis, consis-
26 tent with national progress in industry, agriculture,
27 the arts and professions.

28 Respectfully submitted.

29 And now, if I may take another minute-and-a-
30 half, I would like to make two personal comments. In



1 outlining the capabilities of specialist writers on
2 business papers, I had no desire to make unfair compari-
3 sons with other Canadian writers. Our educational levels
4 are not higher than theirs, but I feel that we are all
5 affected by the present inequitable competition, and what
6 I was trying to do was show that we are a fairly numerous,
7 trained, vigorous group making a contribution to Canada,
8 and I think this is a good contribution and I wouldn't
9 like to feel that some future historian might say that
10 poor quality of effort had killed us or halted us, when
11 really overwhelming competition put us down.

12
13 I have been a writer, publisher and editor in
14 Canada for 31 years and I have seen many fine magazines
15 die through uncontrolled competition; the National Home
16 Monthly, the Canadian Magazine and the New World. I was
17 an associate editor of New World and I contributed my
18 bit to the creation of Nouveau Monde, the first publica-
19 tion in Canada printed in two languages.

20 The death of New World was not due to lack of
21 trained talent. Morley Callaghan, Thomas Raddall, Graham
22 McInnes and Hugh Maclellennan were contributors. Others
23 were Ronny Jaques, the photographer, whose work was
24 mentioned this morning and who has now taken up residence
25 in New York, and he was brought back for an assignment
26 with Macleans. There was also his brother, Louis Jaques,
27 Hugh Shaw and Kenneth Johnstone, who is a successful
28 freelance writer, and they are all active in making
29 contributions to Canada today, and while their magazine
30 went out of business it was not through lack of talent.



1 Like my friend Ralph Allan, who spoke the
2 other day, I was appalled at the lack of recognition by
3 the daily papers; they don't seem to realise that all
4 Canada's literature is affected, and actually one western
5 paper before this Commission had even sat, had an
6 editorial which said, "Another witch-hunt".

7 International editions of big, rich daily
8 papers are actually a reality today.

9 The New York Times now has an international
10 edition which is published in Paris by teletypesetter,
11 and I believe there were 45,000 copies distributed. The
12 Times said rather proudly to the capitals of Europe,
13 North Africa and the Near East that it was on the break-
14 fast tables of all Europe before the New Yorkers were
15 receiving their copies.

16 In Japan, two Tokyo daily newspapers sent
17 five editions a day by facsimile for reproduction by
18 web offset lithography to the city of Sapporo which is
19 500 miles north of Tokyo.

20 Now, if I might be permitted to read a very
21 short piece which I wrote:

22 "The new technique demonstrates to newspaper
23 publishers everywhere that the scheme is practical and
24 workable, with the strong possibility of considerable
25 cultural and financial benefits."

26 Perhaps I should have said to you the big
27 international editions, and I haven't any figures,
28 although I tried to get them from the Japanese informa-
29 tion yesterday to tell you what happened to the Japanese
30



1 local papers there. My main point is that all of
2 Canada's printed literature needs the same kind of help.

3 THE CHAIRMAN: Thank you very much. I might
4 say to you as a representative of one daily newspaper
5 that so far as after reading your statement here I have
6 almost concluded that you deserve the Canada Medal,
7 provided you can find out where Mr. King hid it! I have
8 no questions to ask. Mr. Johnston?

9 COMMISSIONER JOHNSTON: I feel a little bit
10 overwhelmed. I am glad that we in Canada have started
11 to toot our own horns. Your brief suggests you could
12 cure every evil if we had enough good business papers,
13 and perhaps you are right.

14 MR. FORBES: I hope so. We will try.

15 COMMISSIONER BEAUBIEN: I have just a few
16 questions. One page 14, the first paragraph, you say,
17 "In 1949 there were 510 U.S. business papers circulating
18 in Canada", and you quoted statistics?

19 MR. FORBES: Yes.

20 COMMISSIONER BEAUBIEN: And you quoted similar
21 statistics for the Canadian publication. What has been
22 the growth of the Canadian business papers throughout
23 that same period?

24 MR. FORBES: I don't have that information.

25 COMMISSIONER BEAUBIEN: This undoubtedly
26 indicates that the growth to Canada has been a greater
27 growth, relatively; our industry is heavier than it was
28 10 years before?

29 MR. FORBES: There has been a definite growth
30



1 in Canada, and a year or so ago it showed that business
2 papers had increased in advertising revenue from Canada
3 in a ratio consistent with the gross national product,
4 but I don't know the number of the circulation.
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2 COMMISSIONER BEAUBIEN: These figures by
3 themselves do not mean too much unless you compare
4 them with figures of the Canadian Business Publications.
5 On Page 16 you stress the value of the Canadian editions.
6 You are probably right, but in view of your argument
7 wouldn't anyone conclude from that that your position
8 is that much more secure? According to this here you
9 are rendering such an obvious service to the Canadian
10 business men that they could not do away with the
11 Canadian business press?

12 MR. FORBES: I think that no magazine of
13 general interest renders a better service to Canada
14 than Maclean's, but Time Magazine by appearing to
15 render a service was able to take away a gigantic
16 number of dollars. A business magazine edited in New
17 York, appearing as a Canadian magazine, certainly
18 hurts the situation.

19 COMMISSIONER BEAUBIEN: I think it was brought
20 up by the witness before you, Mr. Salmond, that the
21 business press is rather different from a magazine
22 such as Maclean's or Chatelaine inasmuch as they fulfill
23 a much more local need -- a much more specialized field,
24 relatively?

25 MR. FORBES: I don't agree with Mr. Salmond.
26 I believe that the death or attrition of a great many
27 daily newspapers by amalgamation suggests that we
28 are all in the same boat of excessive competition here.

29 COMMISSIONER BEAUBIEN: So, the Canadian
30 press is just as vulnerable?



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MR. FORBES: I would say so. Actually, at the moment in a number of so-called Canadian editions, there are more in the business paper field than in the large mass field. They don't take away the same number of dollars from the business press as from the general press.

THE CHAIRMAN: Thank you very much.

---Short Recess.



SUBMISSION BY

SHERWOOD JOHN BECKET SUGDEN

APPEARANCES:

MR. SHERWOOD JOHN BECKET SUGDEN

MR. SUGDEN: My name is Sherwood Sugden. Gentlemen, as a citizen and prospective publisher, being deeply concerned for the quality of publications available to Canadian readers, and for the precarious situation of serious journals in Canada, I respectfully submit this statement for your consideration.

The statements presented up to this time suggest two grave problems confronting this Commission:

- (1) The possible danger to an important segment of Canadian industry resulting from a deluge of foreign periodicals competing for consumer dollars, and
- (2) The more subtle danger of excessive foreign influence on the thought, culture, and customs of the Canadian people.

Two strikingly different approaches to these dangers suggest themselves:

- (1) The creation of a tariff on foreign periodicals entering Canada, or
- (2) An effort to encourage Canadian periodicals themselves, by arrangements that would enable Canadian publications to compete with their foreign competitors on more



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2 equitable ground.

3 The negative approach (3;1), which puts
4 restrictions on the free in-flow of thought across our
5 boundaries, can only lead to reciprocal action on the
6 part of foreign governments, to the detriment of our
7 exporting publishers, and to that insularity and
8 stagnation which are inimical to cultural growth.

9 In a time of stiff foreign competition,
10 Canadian publishers may well wish they were in the
11 textile business. However, as I think the Commissioners
12 will agree, it is one thing to tack a tariff on a bolt
13 of cotton or a dress shirt, and quite another to tax
14 a page of thought. In the interests of truth, the
15 publisher must face all comers squarely, protected
16 only by his pen. This is the price a publisher pays
17 for the privilege of bearing the word.

18 There is, I think, danger to Canadian culture
19 from excessive foreign influence, but I am convinced
20 that such influence can best be combatted by encouraging
21 and helping Canadian publishers to contend with it on
22 their own ground - that of the printed word.

23 I should not like to see the people of
24 Canada avidly reading Canadian periodicals merely because
25 there was nothing else to read - as we are told the
26 Russians read Ehrenburg because there is no Spillane.
27 I should not care to live behind a cultural dam, knowing
28 that if it burst, the nation would be immediately innun-
29 dated by a flood of foreign mediocrity, thus revealing
30 the real, if regrettable, tastes of the Canadian people.



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2 Surely taste is judgment, developed by a
3 continuous process of selection and rejection - a contin-
4 ual operation of the critical faculty. If the alterna-
5 tives confronting the critical faculty are restricted,
6 taste cannot enjoy a rapid and healthy growth. Since
7 the imposition of a cultural tariff would retard the
8 development of taste, it must retard the development
9 of a sound culture, and should, on these grounds alone,
10 be rejected.

11 The whole question of culture must be pro-
12 foundly frustrating to governments. Unlike people,
13 (who seem to enjoy being legislated for), culture is
14 not susceptible of legislation. It is the by-product
15 of what people voluntarily do and believe over the
16 centuries. A Ministry or Department of Culture would
17 be a very laughable thing, gentlemen. Culture
18 springs up when no one is looking. The well-watched
19 culture pot never boils. It may be that the most a
20 government can do to advance culture is to get out of
21 its way.

22 I believe that the Canadian publisher can
23 understand the requirements of his Canadian readers
24 better than his foreign counterpart. If he cannot,
25 the fault lies with the Canadian publisher, not with
26 his foreign competitor.

27 If a foreign government is aiding its
28 export publications with preferential postal rates, as
29 I am told it is, let us aid our domestic publications
30 in the same way. Let us consider the removal of the



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2 11% sales tax imposed by the Canadian government
3 on the printing of promotion material for Canadian
4 publications. If our government is seriously concerned
5 with the problems of the Canadian publishing industry,
6 as the creation of this Royal Commission suggests
7 it is, let it look within Canada itself for solutions,
8 rather than scowl across the border.

9 I believe that many Canadians are troubled
10 by the virtual absence of a lively group of independent,
11 serious journals in this country. Such journals,
12 discussing politics, economics, literature and the
13 arts, while never expecting to achieve mass-readership,
14 have a most important function in any literate nation.
15 They publish the writing of young Canadians whose
16 work or name lacks mass appeal. They inform and
17 stimulate a limited but highly critical audience.
18 They raise the tone of Canadian thought and the standard
19 of Canadian letters. By scholarly criticism, they
20 give form and direction to artistic and literary
21 achievement. I contend that these little magazines,
22 with their tiny circulation, create the intellectual
23 atmosphere in which a distinctive and vigorous
24 culture develops. Small, serious journals weld bodies
25 of opinion into a coherent whole. As vehicles of
26 communication they draw together a widely scattered
27 population. Deploring foreign domination, we
28 have failed to encourage these domestic instruments
29 of national unity.

30 There are few such journals in Canada,



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2 Last week, Toronto's best-stocked dealer displayed
3 34 American magazines of comment and criticism, as
4 against 5 Canadian and 4 British. Of the Canadian
5 journals, 3 were supported by Universities, 1 by the
6 Canada Council, and 1 actually appeared to support
7 itself.

8 Gentlemen, in a century cursed with conformity,
9 journals of this kind wither, dry up, and pass silently
10 out of existence. They are the paupers and the
11 eccentrics of the publishing world. They should be
12 cherished and preserved, not as museum pieces, but
13 as lively and vigorous voices - the voices of various
14 and independent thought in an age of boredom. Through
15 their advertisements, the mass-readership magazines
16 tend to raise the standard of living; it is largely
17 left to the serious journal to raise the standard of
18 life.

19 For my own part, (God and finances permitting),
20 I propose to add to the few critical journals in
21 Canada by publishing REFLEX, a journal of conservative
22 opinion, in the first six months of the coming year. We
23 hope to begin publication as a 32 page monthly
24 with an initial circulation of 2,000.

25 The vision of such a magazine arose out
26 of my own conviction that for the past half century,
27 the revolutionary element, socialists, innovators and
28 tinkerers have been winning the eternal social
29 struggle between permanence and change. They have
30 dominated the thinking in the Universities; they have



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2 influenced the press; they have commanded majorities
3 in parliaments; they have very nearly carried the
4 day. Their success may be attributed to the fact that
5 they have been most articulate in the press; they have
6 been inspired with a sense of mission; perhaps 80%
7 of the serious journals in Great Britain and elsewhere
8 represent the left. It is healthy that the voice
9 of change be heard; it is also necessary that the
10 voice of what Santayana calls "forlorn and dispossessed
11 orthodoxy" speak, and speak loud.

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2 The conservators, the preservers and restorers
3 are struck dumb. They stand transfixed - paralysed
4 with fear as the horror of the Total State bears
5 down upon us. One asks: "What can be done? Has
6 conservatism anything else to offer? Has it anything
7 to say?" I believe that it has. I believe that there
8 is an alternative.

9 We therefore propose a Journal to reach
10 thoughtful men in this country, to present the other
11 side of the case, and to present it, we hope, with
12 vigorous intelligence. Two thousand years of Judaeo-
13 Christian heritage leave us, I think, with something
14 worth defending. REFLEX proposes to raise a voice
15 in the defence.

16 The difficulties that lie in the way of an
17 enterprise of this kind are enormous. It is naturally
18 extremely difficult to raise even a little capital
19 for an enterprise that will probably never yield a
20 return. It will be difficult to sell advertising space
21 in a magazine that hopes for an initial circulation
22 of only 2,000. It will be difficult to lure readers
23 away from their amusements and creature-comforts long
24 enough to glance at a line of unillustrated print.
25 It remains only to make the attempt.

26 You have been most generous in the attention
27 you have given this statement, gentlemen. Permit
28 me to conclude with the following suggestions relating
29 to the problems confronting Canadian publications.
30 I strongly urge:



- (1) That the Government of Canada pursue its present policy of non-interference with the free flow of publications across our borders.
- (2) That every possible encouragement and aid be given Canadian printing and publishing firms, short of restricting or penalizing their competitors.
- (3) That the problems and difficulties faced by the serious journals in Canada be most carefully studied before the Royal Commission presents its final recommendations to the Government of Canada, and
- (4) That a study be made with particular reference to the possibility of:
 - a) decreasing the second-class postal rate on periodicals with a circulation of less than 10,000, and containing less than 5 pages of advertising space,
 - b) decreasing or eliminating the 11% sales tax levied on the printing of literature promoting such journals.

I should like to thank the members of the Commission for the opportunity to present this statement, and particularly for the kind attention they have accorded it.

THE CHAIRMAN: Well, I must say this is one of the most encouraging statements, somebody to



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2 start a journal really conservative with a philosophy,
3 is that what you have in mind?

4 MR. SUGDEN: Yes.

5 THE CHAIRMAN: Do you know Mr. William Buckley
6 Jr.?

7 MR. SUGDEN: I do but not well.

8 THE CHAIRMAN: Have you read his recent books?

9 MR. SUGDEN: I follow the National Review --
10 that is far too shrill.

11 THE CHAIRMAN: You are not going to follow
12 it completely?

13 MR. SUGDEN: No, it is far too shrill. I
14 would like, if I might look south of the border for
15 comparisons, to hit somewhere between National Review
16 and Modern Age. That is equivalent to Atlantic Monthly
17 which is a scholarly magazine and not be so topical
18 and loud and blatant as National Review and, on the
19 hand, not as quiet and disengaged as Modern Age in
20 the United States.

21 THE CHAIRMAN: Have you read Mr. Kirk and
22 Mr. Rossiter?

23 MR. SUGDEN: Both of them.

24 THE CHAIRMAN: That is what you have in mind?

25 MR. SUGDEN: Kirk, yes.

26 THE CHAIRMAN: Are you having difficulty in
27 getting assistance for a journal of that kind?

28 MR. SUGDEN: Naturally, sir, yes.

29 THE CHAIRMAN: Naturally?

30 COMMISSIONER JOHNSTON: He is a conservative



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realist.

THE CHAIRMAN: Well, I wish you every success.

COMMISSIONER JOHNSTON: What are you doing now if I may ask?

MR.SUGDEN: Well, I am employed writing, it is hack writing.

THE CHAIRMAN: Are you university man?

MR. SUGDEN: No, I am not.

THE CHAIRMAN: Where did you get this idea of starting a conservative publication of this kind?

MR.SUGDEN: Perhaps I could describe myself as something of a revolutionary by tempermanent and conservative by conviction.

THE CHAIRMAN: You are almost describing me.

MR. SUGDEN: I have entertained the idea for the last four or five years and only recently have I had any encouragement. We have founded a conservative society which has approved -- while this is an individual submission it has the approval and support of this small unincorporated society.

THE CHAIRMAN: Did you write this submission yourself?

MR. SUGDEN: Yes.

THE CHAIRMAN: You would be the sort of conservative who would be tender of the garden rather than the curator of a museum?

MR. SUGDEN: I hope.

THE CHAIRMAN: How far have you gotten with this proposition of yours?



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2 MR. SUGDEN: Not very far. I'm afraid
3 this is the first public announcement of the proposed
4 journal.

5 THE CHAIRMAN: Well, I wish to God you came
6 under our terms of reference.

7 COMMISSIONER JOHNSTON: You do say here that
8 you think if we did anything to our neighbours to
9 the south they might retaliate.

10 MR. SUGDEN: Yes. I was not referring particu-
11 larly to the American government. The Americans or
12 any form of government would have some justification
13 in retaliating, I think. That is my chief fear. My
14 fear is it is endangering the right of the reader to
15 read what is available if it is within the laws of
16 sedition and obscenity.

17 COMMISSIONER JOHNSTON: I think this Commission
18 would defend to its second last breath --

19 THE CHAIRMAN: Do not go too far.

20 COMMISSIONER JOHNSTON: ...the right of
21 anybody to read what he likes. I have a family and
22 I have never imposed any censorship in my house and
23 never will. You are a young man of remarkable courage.
24 Now, if you had for the sake of your own country
25 to do something that might cause someone in Washington
26 or Moscow to be a little angry with us, would you
27 be afraid to do that?

28 MR. SUGDEN: No, sir.

29 COMMISSIONER JOHNSTON: Right. Thank you.

30 THE CHAIRMAN: Thank you every much. There is



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one other question I thought of asking but I am afraid
you would give me the wrong answer.

We will adjourn now until 10:30 tomorrow
morning.

---Adjourned until 10:30, Thursday, December 15, 1960.

